Daily Report

Latin America

FBIS-LAT-93-015
Tuesday
26 January 1993

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FBIS-LAT-93-015 *26 January 1993*

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Cuba

Foreign Minister on 'True Forms of Democracy'

FL2501152293 Havana Radio Progreso Network in Spanish 1200 GMT 25 Jan 93

[Interview with Ricardo Alarcon de Quesada by Jesus Diaz Loyola; place and date not given—recorded]

[Text] [Alarcon] I believe this is another step in a unique process in which all the people participate from the base level, from the very beginning, which is the selection of their own candidates. I believe it is another step in the strengthening of our popular and democratic system.

[Diaz] Foreign Minister Alarcon, do you think our elections, our electoral process, is an example for the rest of the world today?

[Alarcon] I think it is, especially for those societies that consider themselves democratic, where millions of people do not have an opportunity to exercise any democratic or electoral right just because they are poor, homeless, or sidelined from society. In some places this is the majority of the people. To those great masses of millions of people around the world, it is a guide, an example, and above all it is a sign of hope that some day true forms of democracy and true forms of people's government will also be established in other places.

Havana Province Nominates Assembly Candidates

FL2501135693 Havana Radio Reloj Network in Spanish 1316 GMT 25 Jan 93

[Text] Politburo Members Pedro Ross Leal, Abel Prieto, and Candido Palmero were approved as candidates for National Assembly deputies for Havana Province, along with workers, researchers, and people's council presidents. Also, Commander of the Revolution Ramiro Valdes was nominated by Artemisa; Orlando Lugo Fonte, the president of the National Association of Small Farmers, was nominated by Guira de Melena; and youth leader Juan Contino Aflan was nominated by Mariel.

Felipe Perez Roque, a member of the commander in chief's Coordination and Support Staff and the former president of the Federation of University Students, was also approved as a candidate for National Assembly deputy by Melena del Sur, Havana Province. This province will have 42 deputies, and prior to yesterday's sessions the municipal assemblies of the people's government had considered about 10,000 candidates proposed by the mass organizations.

Workers Federation Leader Delivers Speech

FL2501131193 Havana Radio Rebelde Network in Spanish 2207 GMT 22 Jan 93

[Speech by Pedro Ross Leal, secretary general of the Cuban Workers Federation, at a ceremony marking the 45th anniversary of Jesus Menendez' death in Manzanillo, Granma Province—live]

[Excerpt] [Passage omitted] Comrades, the extraordinary role sugar plays in the survival of our Revolution places an enormous historic responsibility on the shoulders of the sugar workers. The harmful impact of the double embargo to which we have been subjected has affected cultivation, and today we are facing a notable reduction in the volume of sugarcane. This forces us to seek higher efficiency. The most important step in meeting this goal is to conclude the sugar harvest at the proper time. This is what the leader of the Revolution has asked of the sugar workers and the whole country.

To accomplish this, we cannot lose a single minute. Not losing a single minute means that all the work teams have to be complete and have to meet their daily quotas. They must not lower the rate of cutting for even a single weekend. This has been accomplished so far. There has been a tremendous response from the sugar harvest workers, although in the last few days there were difficulties with certain workers and places. This calls for rapid action and a powerful response. Not a single combine can be left unrepaired overnight. Repairs will have to done in the early hours of the morning, under difficult conditions but with the heroic attitude Jesus Menendez requires of us. This has been done by many workers throughout Cuba. Not even a single truck or train that transports cane can be allowed to break down.

It is well known that there have already been interruptions in production for this reason. This must be avoided at all cost. Not losing a single minute also demands a rigorous and unbending technological and operational discipline at the sugar mills. We have to wage and win the battle against breakdowns and stoppages. To have managed to start operations at almost all the mills scheduled in the country—at a time when we are facing a substantial shortage of supplies—has already been an unprecedented feat. This has been proof of talent and will, proof of the extent of the joint efforts conducted by the economic sectors in every province to meet this goal.

How much more can be achieved through the creativity and commitment of people motivated by a spirit of profound patriotism and revolutionary pride? These are people who, confronted with a broken crane, move heavy equipment by hand. Real battalions have been organized to recover scrap metal and screws, wherever they might be found. Workers have conducted successive, uninterrupted workdays of 15, 16, and even 18 hours. Anonymous true feats have been accomplished, repeated at every mill and complex during the repair and start-up periods. Given power outages during certain hours, the response has been to adjust the hours of work to fit the circumstances. Already, since the first day of the sugar harvest, people have sought solutions and have acted with a great spirit of struggle to win. A new national feat is being accomplished.

Therefore, comrades, there is nothing we cannot expect in the future from our innovators, from their initiatives in every time and place to solve the smallest to the biggest problems. Many more results will arise from their inventions, solutions, and the technological and scientific developments analyzed at the National Spare Parts, Equipment, and Advanced Technologies Forums. Evidently, there is still great potential waiting its turn to be implemented. This is another challenge and a call to work for the cadres who analyze every solution.

We know of the efforts of the Sugar Industry Ministry [Minaz] and Sugar Workers Union; but you have been called to become the leading edge in this vital effort to carry out the best and most perfect sugar harvest, which the Cuban nation demands today. In the midst of shortages and hardships, it is imperative that we commit to the need to increase the spirit of conservation, to economize even further, to consume in an even more rational manner—in a truly optimum manner—the lubricants and fuels which our state has allocated, with top priority, to the sugar harvest. This is for the most part related to a problem of awareness and technological solutions. We are obligated to introduce research results more quickly into the country's production and economic life. Today, in response to the pledge and incentive which honoring Jesus Menendez' memory implies, is the time to reiterate the new challenge for our research centers in the urgent search for varieties that are resistant to pests and diseases.

This is also a need that cannot be put off. It is a patriotic problem. This is also so that the state and our people can be assured of the contribution of this sector to national resistance and future development. We have to defend, we have to protect the cane fields. This assurance will come from the irreversible recovery of sugarcane production which the whole country—from Pinar del Rio to Guantanamo—is now undertaking. [applause] Our hard-working scientists are called to give their highest commitment to this field, because this has to do with the life of the country, and when we are dealing with the life of a nation, as our commander in chief has said: We cannot lose even a single minute.

In this harvest full of challenges, planting approximately 11,000 caballerias between January and May to guarantee the future sugar harvests is a goal that cannot be postponed. In the chain of efforts which this planting involves, January is a decisive link. It is also essential to complete the 389 caballerias planned for this month. In fact, we are traveling throughout Cuba—from Guantanamo to Pinar del Rio—discussing how the tasks have been fulfilled, not only the sugar harvest tasks but also the planting, replanting, soil preparation, weeding, fertilizing, and all the work that has to be put into sugarcane every day, every week, and every month. The competitions that have been organized by the union in conjunction with the Minaz are a good incentive for soil preparation.

Winning the sugar production battle is as important as the harvest itself, and the role of the people is decisive in this heroic struggle. The value of efforts to improve the worker's living conditions is increasing. Actions such as the one we have just done now, opening a specialized and separate store for Manzanillo's sugarcane cutters, have to be repeated throughout Cuba, in every municipality and everywhere, because they are the ones waging the most essential battle of Cuba. [applause]

As I was saying, the value of efforts to improve the workers' living conditions is increasing. Promoting their political, moral, and labor aspirations is the basic premise for boosting the love and passion which with they undertake such a gigantic task. The exemplarity of the cadres and daily concern, support, and information are irreplaceable tools. Timely and individual incentives, which are among the spiritual pillars on which a worker's pride and love for the job is based—incentives of a political nature which come from outside the mill and reach each one at his workplace, together with recognition of small and great feats—all this has to be part of our present work style.

Consolidating self-sufficiency and eliminating the risk of accidents under circumstances of pressing (?activity) are the daily task of the union and all the cadres. We have stressed at every sugar harvest start-up plenary meeting and everywhere the program of measures to improve workers' living conditions overall, from their work tools, the ice plants, housing conditions, revitalization of the workers' quarters at the mills, and construction of over 5,000 low-materials-consumption houses which have been planned, to the incentives plan. Implementing these measures has top priority for the Sugar Workers' Union, the Minaz, and every labor movement cadre in Cuba. [applause] [passage omitted]

Cienfuegos Naval Maneuvers Objectives Listed

FL2301021793 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 23 Jan 93

[Text] Naval maneuvers have begun in Cienfuegos Province as part of the training year. The exercises scheduled for this large unit of the Cuban Revolutionary Navy will contribute to training the personnel for lengthy trips on board ship, training artillery personnel in firing, repelling surprise air strikes, and searching for and destroying enemy submarines, among other goals. The maneuvers are also aimed at helping to train the command bodies at this base.

The results will make it possible to evaluate how our Navy has been perfecting the concept of the entire people's war and the combat readiness of the troops with initiatives adapted to the special period the country is experiencing.

These exercises are part of the activities scheduled for the start of the new defense preparation year for these forces, and are also an occasion for chiefs, officers, and

seamen to salute the 30th anniversary of the Revolutionary Navy. All the combatants intend that the results of these maneuvers will match the prestige attained by this naval district, which has been a Revolutionary Armed Forces vanguard unit for six consecutive years and a vanguard unit among the large units of the Central Army.

Aircraft, Marines Join Maneuvers

FL2201201893 Havana Radio Rebelde Network in Spanish 1800 GMT 22 Jan 93

[Text] Missile boats, surface ships, submarines, naval aircraft, marines, and coastal artillery batteries, as well as People's Brigades, are participating in the Yaguajay 93 maneuvers of the Cuban Revolutionary Navy, which will last for one month.

Inter-Caribbean

Caricom Receives Haitian Observer Applications

FL2601002193 Bridgetown CANA in English 2256 GMT 25 Jan 93

[Text] Georgetown, Guyana, Jan 25, CANA—Caribbean Community Secretary General Edwin Carrington, said Monday the secretariat had received about 33 applications from the region to join a task force to visit Haiti amid continuing efforts to restore democracy to Haiti. Dr. Carrington told reporters the Caribbean team would join 18 persons from the Organisation of American States (OAS) currently in Haiti.

"That is to be expanded by another 40 to 50 (persons), hopefully within a week and as a start towards a much larger presence which may even go as far as to 100," he remarked. "We have notified member states and solicited responses from member states of nationals of the region who would be willing to participate in this exercise," he said.

The mission, to comprise mostly human rights observers, will visit the Caribbean island to assess the situation there amid joint mediating initiatives by the United Nations and the OAS. Former Argentine foreign minister, Dante Caputo, is attempting to broker a solution on behalf of the UN and the OAS, the secretary general said.

"They are mainly to be human rights observers to help to observe the extent to which human rights are being observed, to report their findings, to act as a kind of deterrent to extreme violations of human rights, and to generally drop the level of the confrontationist temperature between the various factors and factions in Haiti," Dr. Carrington said.

But, he acknowledged there appeared to be some common ground for "common movement" in the island. He said the Georgetown-based secretariat was attempting to co-ordinate the identification of regional personnel willing to journey to the island. The names will be sent to the OAS within the next fortnight.

Haiti's first democratically-elected president, Father Jean- Bertrand Aristide, was toppled in a coup by the military in 1991. The UN and OAS are trying to negotiate his restoration to power with the military authorities.

Study of Caribbean Telecommunications Completed

FL2201190693 Bridgetown CANA in English 1752 GMT 22 Jan 93

[By Hallam Hope]

[Text] Bridgetown, Barbados, Jan 22, CANA—An in-depth regional study of telecommunications legislation, requested by Caribbean governments, has been completed by a consultant to the International Telecommunications Union (ITU), an ITU official said Friday.

The ITU Caribbean representative Phillip Cross told CANA the comprehensive report should be available shortly, certainly within the next couple of months. Caribbean governments, via the Port-of-Spain-based Caribbean Telecommunications Union (CTU), had sought assistance from the ITU in several areas, including harmonisation of legislation.

"It has shown up a whole lot of things to be done," said Cross of the six-week project. Jamaica, Trinidad and Tobago, and Barbados are among countries whose legislation is considered the most up to date.

Ahmed Laouyane, who heads the Geneva-based ITU's Policies, Strategies, and Programming Department, has reported the organisation is also studying the possibility of its telecommunications development bureau providing fellowships for training in legal matters, disaster preparedness, and news exchange. The bureau, with a mandate to promote telecommunications development, particularly in countries that need it the most, last month elected its first director, Indonesian Arnold Djiwatampu.

A working document for a regional forum held in Trinidad and Tobago late last year suggested telecommunications in several Caribbean countries functioned in an inadequate legislative environment.

"The greatest setback being experienced in the Caribbean region's telecommunications operations in general is its governing legislative structures. A much improved, standardised environment will foster rapid technological advancement and growth in the industry. Associated with those will be social and economic improvements," said the document.

The CTU, at a hemispheric ITU conference in Mexico last May, requested assistance from the newly-created telecommunications development bureau in several areas.

Bahamas

Government To Repatriate Remaining Haitians

FL2501155093 Bonaire Trans World Radio in English 1100 GMT 25 Jan 93

[Text] More than a hundred Haitian refugees were sent back to Haiti from the Bahamas over the weekend. There are still about 170 illegal immigrants from Haiti being housed in prison in Nassau. The government there says those will be sent back within the next few days.

Barbados

Sugar Harvest To Begin in Feb Despite Delays

FL2501190593 Bridgetown CANA in English 1824 GMT 25 Jan 93

[Text] Bridgetown, Barbados, Jan 25, CANA—Harvesting of Barbados' 1993 sugar crop in Barbados is set to start mid-February, industry officials said Monday.

The crop had been delayed by inadequate funding, with the company managing the industry in receivership, and a March start-up was forecast.

But a senior industry official confirmed the date, saying harvesting was likely to start February 15 and factory operations could be under way the next day.

An industry source said this date would be a couple weeks later than the ideal start-up but was far earlier than what had first been anticipated. There will be three factories in operation this crop.

Barbados produced 55,000 tonnes of sugar and fancy molasses last year, virtually all of which went to meet export quotas, while the domestic market was met by imports from Guatemala.

The quality of the Guatemalan sugar has been criticised. Government has opposed arguments of poor quality and explained that other Caribbean Community (Caricom) countries were approached but, like Barbados, had their commitments to overseas buyers.

One of the joint receivers of Barbados Sugar Industry Ltd, attorney-at-law Carl Crichlow, had said it is hoped to produce 50,000 tonnes this year. The industry output last year of 55,000 tonnes was a 60-year low.

The industry is heavily indebted to the state-owned Barbados National Bank, which approved a loan of 2.5 million dollars (one Bdos dollar - 50 cents US) to finance this year's operations.

Dominican Republic

Rice Millers Authorized To Export to Cuba, Haiti

FL2201152093 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1000 GMT 22 Jan 93

[Text] The Dominican Government has authorized rice millers to export 1 million quintals of rice to Cuba and Haiti. This measure was taken as a step toward solving the problems affecting this sector—primarily, the rice production surplus in the warehouses. This information was provided by Joaquin Crespo, the president of the Dominican Rice Factories Association [ADOFA], who said that export will begin on 25 January. Crespo added that the situation in the rice sector is being solved and that thanks to this sector's efforts, President Balaguer has intervened to solve part of the problem. He pointed out, however, that the government's authorization to export rice to Cuba and Haiti is not a subsidy, but an incentive to encourage production in the rice sector.

Haiti

Civil Rights Leader's Coordinator Arrested

FL2501153393 Bonaire Trans World Radio in English 1100 GMT 25 Jan 93

[Text] Haitian police have detained a strong supporter of ousted President Jean-Bertrand Aristide. Antoine Izmery was arrested, reportedly for driving without a license, just hours after a visit by U.S. civil rights activist Jesse Jackson. Mr. Izmery had helped coordinate Mr. Jackson's visit to Haiti.

Strike Call Demanding Government Resignation Fails

FL2501235393 Port-au-Prince Radio Metropole in French 1700 GMT 25 Jan 93

[Text] A call for a general strike was launched today, 25 January, by about 10 political parties, to demand the resignation of the current government. Daily activities began early this morning. Let us take stock of the situation with Rothchild in the downtown area:

[Begin Rothchild recording] The strike launched by the opposition, demanding the resignation of the consensus government led by Marc L. Bazin, has basically been ignored in Port-au-Prince where activities are running about normally. The only sector affected by the strike is the schools, some of which are operating with a reduced number of students. The congreganist [as heard] schools, however, are functioning with a rather normal number of students. Other schools such as the public high schools and certain private schools in Port-au-Prince, could not function today because the students did not show up.

In the business sector, stores in the downtown area are open. Street vendors are present, taking care of business.

It should be noted, however, that there are slightly fewer people in the downtown area this Monday.

As to transportation, the public cars in Delmas/Port-au-Prince, Petionville/Port-au-Prince, and Carrefour/Port-au-Prince are operating normally. Police were not noticed in the streets for the occasion of the strike, a strike that has not been observed except for the reduction in activities in the schools. Francois Rothchild, Jr. in the capital's streets for Radio Metropole. [end recording]

Deputy Alerts CEP to 'Negative Situation' in West

FL2501232193 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 25 Jan 93

[Text] Deputy Evanns Beaubrun has drawn the attention of the members of the electoral council to what is happening at the Department of the West Electoral Office [BED] as to the payment of members of the Registration and Voting Offices, BIV's. Let us listen to a statement by Deputy Evanns Beaubrun.

[Begin Beaubrun recording] I am drawing the attention of competent authorities to the negative situation which has been developing for a week in the West. Is it those responsible for the functioning of the West BED and for the payment of BIV's who cannot do their jobs, or is it a situation that they [not further identified] are creating from start to finish, committing misdemeanors to get policemen to beat people so they can say repression is occuring?

We must also alert competent authorities to the participation of financial officials, members of the Permanent Electoral Council [CEP], who are also promoting such a situation. We have noticed that members of the current CEP, who were involved in crooked financial dealings in the 1990 CEP, are today preventing the payment system from working effectively, keeping those who worked in the BIV's from receiving the minimal salary owed them. We have therefore called this to the attention of honest officials, asking them to be alert. We tell them: be careful, gentlemen. Thank you. [end recording]

Bomb Causes Injuries in Port-au-Prince

FL2501170893 Port-au-Prince Radio Tropic FM in Creole 1300 GMT 25 Jan 93

[Text] Several explosions were heard in the capital on 24 January. Several people were injured after a homemade bomb exploded on Caonabo Street in Delmas 24. On the Champ-de-Mars, there were several large explosions and many shots were fired during the festivals [announcing the] carnival. As a result, there were some panic.

El Salvador

Cristiani Discusses PNC Budget, Salary Increase

PA2601040393 San Salvador Radio Cadena YSKL in Spanish 1915 GMT 25 Jan 93

[News conference by President Alfredo Cristiani with unidentified moderator and reporters at the Press Room of the Presidency—live]

[Text] [Cristiani] [words indistinct] treatment, but in general terms we have worked with the UN observers in El Salvador to secure its help to make these groups understand they must surrender their weapons for destruction.

[Moderator] Rene Orlando Ardani

[Ardani] Mr. President, I would like to know whether the budget assigned to the National Civilian Police [PNC] is causing any problems. Also related to the same topic, it has been said San Salvador will be the last place in the country where the PNC will be deployed although crime is high there.

[Cristiani] There are no problems with the PNC budget. The PNC was granted an initial budget in order to start deployment next month. The PNC will not face any budget problems during the deployment phase if it augments new National Public Security Academy graduates. The deployment plan was based on several aspects.

As for the crime problem, as the PNC territorial deployment is implemented we will be able to channel National Police [PN] resources to areas where the PNC is absent to ensure the two organizations will jointly fight crime and offer security to the citizens.

In other words, no area will be left unprotected. Either the PNC or the PN will be present in every area. The PNC will be deployed to a specific territory. Why San Salvador? This decision was made for several reasons. The deployment must follow a specific sequence. First, the PNC must reach the areas most affected by the conflict. We think it is preferable for the PNC to replace, for example, the special force involving the famous Pat, which is actually made up of academy students, who have been deployed for obvious reasons: To prevent any kind of confrontations or other actions with demobilized groups of the Farabundo Marti National Liberation Front [FMLN] that are in those areas.

Also, the PN should not have to cross a department in which the PNC is deployed while on its way to a mission in another department. The two groups would be present at the same place at the same time. The deployment process should follow a logical sequence. It was determined that this process should be completed in San Salvador. PN members, territorially speaking, would regroup. Thus, it would have more members in the area to fight crime. In fact, more than 200 PN agents were deployed to the metropolitan area last week.

[Moderator] Wilfredo Cordoba.

[Cordoba] Mr. President, we understand General Vargas traveled to the United Nations on the morning of 25 January. I would like to know the main purpose of this trip.

[Cristiani] Gen. Vargas is around here. [laughter]

[Cordoba] No other soldier has traveled to the United Nations?

[Cristiani] No other soldier has traveled to the United Nations.

[Moderator] Antonio Garo.

[Garo] Good morning, Mr. President. I have a two-part question. Last week, opposition economic analysts claimed the salary increase the government offered is inflationary because family basket products increased 15 percent earlier this year. Public employees [passage indistinct] and we would like to know your stand on this issue.

[Cristiani] Would you clarify the first part of your question on what these groups are claiming?

[Garo] They said the salary increase you offered for February is already causing inflation, that family basket products have already increased by 15 percent.

[Cristiani] Which products of the family basket have been increased?

[Garo] [words indistinct]

[Cristiani] We do not have any information that indicates a rate of inflation that size for the first months of the year. To the contrary, the inflation rate in the past 12 months has gone back to the normal levels which, spread out over a year, is less than 10 percent. There has been no change in this regard. Now, as far as the problem that inflation can generate on the nation's budget, in simple terms, this occurs when money is issued....[pauses] when money is printed without any backing. What we have clearly said is that the salary increase that we have proposed has been earmarked within the nation's budget. This will be financed by strict savings measures implemented until October. We already have the financing for the 10 percent in March, these funds will be received in February.

In this regard, the salary increase is not inflationary because no additional fiscal deficit will be generated. It is the fiscal deficit that generates inflation, therefore the salary increase is not inflationary. It is something totally different if a dishonest merchant decides to take advantage of this situation and raises his prices because he considers the people have greater purchasing power. All consumers, however, have the opportunity to choose the merchants with whom they want to do business; that is,

with the merchant who speculates raising the prices of his products or with the one who keeps his prices at a normal level. Nevertheless, the measure to raise salaries is not causing inflation because it is financed.... [pauses] it will be financed. No new bills will be printed to cover this increase. This is what the Christian Democrats usually did during their reign; that is, print bills to pay for....

[Garo, interrupting] Regarding the second part of my question, will the retired public and municipal employees get an increase in their pensions similar to the one granted to the government sector workers?

[Cristiani] The municipal sector.... [pauses] Well, the two matters are being analyzed; that is, the possibility to increase the pensions at the bottom of the scale. This is being analyzed. There are no funds in the budget to make a decision in this regard. Nevertheless, a solution is being sought in this regard. Concerning the municipal part, the problem here lies with the mayor's office revenues, which depends on their own budgets. The state does contribute to the municipalities but these funds are already earmarked within the municipal budget. Nevertheless, this is being analyzed to see what can be done.

[Moderator] [name indistinct]

[Reporter] Mr. President, [words indistinct] agrarian aspect, I would like to know if the government has enough funds to accelerate the transfer of property program?

[Cristiani] The delay in the official transfer of the property is the lack of information from the FMLN with regard to the names of the beneficiaries and the other documentation that is required for each individual. Once we have this information, then we can make the legal transfer; that is, the transfer of the land titles. We have placed at the disposal of the FMLN the amount of land that has been set out in the peace agreements. In this regard, there is no delay on the government's part. Nevertheless, the program will require additional resources because the resources we currently have on hand will not last until the conclusion of the program, particularly for the third phase. This is why several steps have been taken, one internal, others externally to see what possibilities there are of obtaining additional funds. In March to April, a consulting group will assess again the progress of the diverse programs under the peace process so that nations that want to participate can help.

Cristiani Says Armed Groups Regarded as Criminals

PA2601034393 San Salvador LA PRENSA GRAFICA in Spanish 25 Jan 93 p 3

[Text] President Alfredo Cristiani announced that any group that continues armed operations will be treated as a criminal group and regarded as any individual who violates public security.

The president made this statement when addressing the case of an armed group of the Farabundo Marti National Liberation Front, which recently emerged in Concepcion de Oriente, La Union Department, and sowed panic among the residents and officials there.

"We have reports that certain groups continue to be armed. There are certain signs of such groups in other cities, such as in San Vicente," the president said.

Cristiani said that this is a result of a process in which small armed groups continue to exist, but he said these groups will be treated as violators of public security.

Cristiani also reported that a Social Investment Fund [Fondo de Inversion Social—FIS] mission will travel to the Inter-American Development Bank [IDB] headquarters to negotiate a second loan for the projects financed by the FIS.

He said the first credit was for $30 million and the IDB stated that when it saw the implementation of the FIS projects, $60 million would be available and there would a possibility of raising that to $120 million.

"The FIS mission will travel this week to try to reach agreement on the amount of the second loan to continue the infrastructure projects by the FIS," Cristiani said.

Discussing the Ninth San Jose Summit, Cristiani explained it will be a meeting of Central American foreign ministers with the idea of working for a cooperation agreement between the EEC and Central America. It is preparatory work for a comprehensive cooperation agreement, he added.

Civic Movement Calls for Respect From Clinton

PA2601030093 San Salvador EL MUNDO in Spanish 23 Jan 93 p 7

[Communique issued by the Free El Salvador Civic Movement in San Salvador on 22 January]

[Text] The U.S. people are celebrating because the will of the majority has been carried out again. A new president has been elected. You occupy the White House because the people of your Country—AND ONLY THE PEOPLE OF YOUR COUNTRY—so decided at the polls.

If we had that same degree of independence in our countries, we believe things would be much better. Political and economic dependence in our "underdeveloped" countries, however, is ever greater, because local and foreign politicians allow the sovereignty of these weaker countries to be eroded, usually for monetary reasons.

We believe, Mr. Clinton, that it is now a good time to implement a foreign policy OF RESPECT for the other nations of the world, without the use of the traditional

arrogance of the more powerful nations based on brute force and to incline toward the power of reason of INTERNATIONAL LAW.

We, the citizens of a country small in territorial dimensions but as large as the largest IN DIGNITY respectfully call on you to reflect upon the treatment we deserve.

We believe the next four years of government could very well become the beginning of a new world order of respect for the dignity of the peoples of the world, based on human qualities and not on the interests or economic power of each nation.

Our best wish for you as you begin your term is that history judge you favorably.

We demand respect, Mr. Clinton!

[Issued] San Salvador, 22 January 1993
[Signed] Free El Salvador Civic Movement.

Guatemala

Army To Provide Security for U.S. Engineers

PA2501220293 Guatemala City SIGLO VEINTIUNO in Spanish 25 Jan 93 p 3

[Text] The Guatemalan Army will provide security and protection to 236 U.S. military engineers in case there is any violent action from insurgents. The U.S. military engineers will be cooperating in development projects in the communities of Salama, Baja Verapaz Department.

Army spokesman Captain Julio Yon Rivera added: "The troops are in a state of alert in that region because we are aware the insurgents could carry out terrorist actions against U.S. personnel and equipment."

"The objective of the project called Fuertes Camino 1993 is to reinforce operations between the two military institutions to improve the well-being, health, and development of the population, something that in one way or another is very different from what the insurgents loudly proclaim," he added.

He said the "U.S. Army has not sent any armed contingent, because we would not have accepted that. Instead, it has sent technicians and advisers to build the necessary infrastructure the Guatemalan people really need."

"The first phase of the drilling of water wells in Colonia Minerva, Progreso, San Miguel Chicaj, Chiticoy, and Pacush in the jurisdiction of Salama, Baja Verapaz Department is a fact. We will not permit any interference," he added.

Mayor Denies Maneuvers Conducted

PA2501225293 Guatemala City Teleonce Television in Spanish 1800 GMT 21 Jan 93

[Text] Official sources have reported U.S. Army contingents continue to arrive in Baja, Verapaz Department, to participate in development projects. Certain sectors fear that the U.S. soldiers will conduct military maneuvers in the region. Salama Mayor Ross Aroldo Reyes Valdes commented on this issue:

[Begin recording] [Reyes] U.S. personnel and equipment, which will be used in projects planned for this department, have been arriving since 6 January. These projects will solve many problems afflicting our department.

[Unidentified Reporter] As mayor, were you notified about how many men are already at the military detachment?

[Reyes] Yes, they already established a camp inside Military Zone No. 4, which is headquartered in Salama. So far, there are 200 men. We were told a maximum of 250 people will be there by 8 February to operate the equipment.

[Reporter] What kind of projects will be carried out?

[Reyes] As planned, their specific duties will be to drill wells, build schools and a few health centers, and make improvements to the hospital in the departmental capital.

[Reporter] It has been said some troops will conduct military maneuvers. Is this true?

[Reyes] Completely false. I invite the media to visit the area. Salama will welcome you. You will be able to confirm there is only work equipment. We have at no time seen weapons of any kind there. The soldiers are even unarmed. [end recording]

Serrano To Give Peace Efforts 'Highest Priority'

PA2501131393 Mexico City NOTIMEX in Spanish 1849 GMT 24 Jan 93

[Text] Guatemala City, 24 Jan (NOTIMEX)—Guatemalan President Jorge Serrano Elias on 24 January promised to give the quest for peace, national reconciliation, and plans to help 2.4 million people affected by violence "the highest priority."

In an interview for NOTIMEX, Serrano added he will pay special attention to the problems of Guatemalan refugees, those who are returning to the country, and those who have been displaced.

Serrano said the return to Guatemala of the first 2,426 refugees, who arrived in Guatemala City on the night of 23 January, "marks a new era in the nation's future."

He recalled that his peace plan, proposed to the guerrillas on 19 January before the United Nations, is a general framework for the policies to help the population affected by violence.

"The importance of this peace plan is that it views the refugee problem as part of Guatemala's overall problems, a problem that must be solved through actions that

will make the affected communities feel they are receiving attention," he said.

The government proposed to the guerrillas signing a peace agreement within a period of no more than 90 days or decreeing a bilateral cease-fire, while the rebels demanded the reduction and purge of the Army.

Serrano stressed the need for national efforts and international cooperation for the entire population and not only for thousands of Guatemalans who are returning, the refugees and displaced people affected by violence.

He said that within the spirit of equity and national solidarity, the population in areas affected by natural disasters—approximately 2.4 million people—are also viewed "as participants and beneficiaries of the social, economic, and cultural restoration programs."

Serrano said firm and durable peace will be attained by establishing a "new form of life based on respect for human dignity and access to the benefits of the economic and social program," with the participation of the government, the refugees, and international organizations.

The Guatemalan Government has established as objectives for national development reducing poverty and consolidating the peace and reconciliation process, Serrano said.

He said that the return of refugees means that the climate of confidence is beginning to consolidate in Guatemala.

He added that the government has implemented the National Fund for Peace (Fonapaz), which will attend to municipalities and villages in the departments of Huehuetenango, Chimaltenango, Solola, El Quiche, Alta Verapaz, San Marcos, and a stretch 50-km wide on the banks of the Usumacinta River, in southern El Peten Department.

Fonapaz plans to invest $126.6 million during 1992 to 1996 to carry out programs aimed at improving the quality of life of the population affected by the internal conflict.

Serrano said the government is committed to carrying out a strategy of promoting and encouraging the return of the refugees to their places of origin or to areas where their positive economic and social reintegration can be guaranteed.

According to Serrano, based on this objective, priority is given to the return of Guatemalan refugees from Mexico, supporting their collective, well-planned, and gradual return.

"Today we breathe a new climate and I am sure we will attain peace," Serrano said as he asked the Guatemalan people to give him time and confidence.

"We are willing to sign a peace agreement tomorrow, to dedicate all our efforts to development," Serrano said. He urged the Guatemalan National Revolutionary Unity (URNG) to give up "its inflexible attitude."

The armed conflict in Guatemala, which has lasted three decades, has left 150,000 dead, thousands of missing people, and at least 46,000 displaced people.

Presidential Spokesman Remarks on Support

PA2501221693 Guatemala City Teleonce Television in Spanish 1800 GMT 20 Jan 93

[Text] Nobel Peace Prize winner Rigoberta Menchu voiced doubts on 19 January regarding the scope of the pacification plan proposed by President Jorge Serrano Elias. Presidential spokesman Arturo Alvarado Perez reacted to Ms. Menchu's remarks as follows:

[Begin Alvarado recording] We think Ms. Menchu is a little misinformed. I personally do not understand how someone who has won the Nobel Peace Prize attaches more importance to the political aspects of the negotiations than to peace. She is giving her support to refugees who are returning right now, who left precisely because of violence. The cease-fire should be one of the important goals of anyone interested in the peace negotiations. The final goal should be total peace.

In addition, she seems to be ill informed because the conciliator was duly informed ahead of time. He was the first to learn of the president's peace proposal. All the normal mechanisms of the peace negotiations are being followed. For that reason, the president's additional peace proposal was made public, to inform the people at home and abroad of the stance by the government and all Guatemalans. He took with him a delegation representative of all the sectors of the country—political, labor, and so forth. This proposal has their absolute support.

We have been receiving messages from Mexican President Carlos Salinas de Gortari and other area countries, congratulating the government, and President Serrano in particular, for this initiative within the negotiations. The president has clearly stated this proposal is contained in the terms of the agreement made in Mexico City and Queretaro. [end recording]

URNG Responds to President's Peace Initiative

PA2601042893 Guatemala City SIGLO VEINTIUNO in Spanish 23 Jan 93 p 20

["Text" of communique issued by the Guatemalan National Revolutionary Unity, URNG, General Command on 20 January]

[Text] Guatemalan National Revolutionary Unity [URNG]

For a Just and Democratic Peace

URNG General Command reply to President Serrano's Initiative

President Jorge Serrano Elias showed, on 14 January at the Congress of the Republic and on 19 January at the UN General Assembly, different versions of a proposal signed by him and officially presented on 6 January to Monsignor Rodolfo Quezada Toruno, conciliator of the Guatemalan negotiation process.

In strict accordance with the Oslo and Mexico accords and our respect for what was established in those accords concerning the conciliator's functions and dignity, the URNG General Command considers as valid—and official for the negotiation process—the document that was approved through those channels.

Before the national and international community and in reference to President Serrano's 6 January proposal to achieve peace:

STATES:
1. We value as a positive gesture President Serrano's acceptance to bring the process out of a stalemate caused by the human rights issue and his proposed initiative to step up the negotiation process and sign a firm and durable peace agreement in the near future.

2. The URNG states again its determination to achieve a political and negotiated solution to the internal armed conflict and the crisis which afflicts our country. Hence, the URNG is willing to reciprocate and take the necessary measures to guarantee peace and a true solution to problems.

3. The URNG accepts the spirit in which President Serrano's proposal was presented but it nevertheless considers that the document is a biased, contradictory, and incomplete position.

It is biased because a negotiation process cannot be an ultimatum or establish unilateral and peremptory obligations for one of the parties if it strives to be constructive. All this is included, without equanimity, in the presidential proposal.

It is contradictory because it wants to hold the signing of a human rights agreement contingent with operational points that must be discussed later, as agreed in the Mexico Accord. The contents of the overall human rights agreement represents obligations which the government of the Republic must wholly fulfill. The government is trying to distract or confuse the international community, which has stated its concern on this issue.

It is incomplete because it removes and minimizes substantial points of the agenda signed in Mexico City, which represents an essential political groundwork for the peace accords; it gives prominence to operational issues which must be a result of the negotiation; and it fails to guarantee a procedure for compliance with the accords.

Rather than being favorable, a proposal presented this way would lead to a fatal and insurmountable obstacle for the hopes for a serious and consistent negotiation; and it would encourage undisciplined militarists and backward positions which reject a just and democratic peace.

In an attempt to rescue and render viable the positive elements of President Serrano's proposal, thus providing the equanimity it lacks; and with the intention of using the opportunity to hasten the achievement of a democratic and peaceful future for our people, the URNG

STATES AND PROPOSES:
A. To strengthen and recognize the decisive and active role of the conciliator, Msgr. Rodolfo Quezada Toruno. Give the United Nations a clear explanation of all the negotiation process rather than of its operational aspects only. Allow the participation of civilian groups' representatives in the entire negotiation process.

B. States its acceptance to discuss substantial points in the general agenda and to establish, by joint agreement, a schedule for the discussion of those points over a period of 90 days with the participation of civilian group representatives.

C. Accept the pledge to convene a suspension of military actions by the two parties, even if the discussion of substantial points in the general agenda has not concluded. This pledge would include reciprocal obligations which guarantee and ensure the essence and contents of the negotiations.

The parties will therefore sign a document in the presence of the conciliator, Msgr. Rodolfo Quezada Toruno, the UN representative, representatives of the country's civilian groups, and a support group comprised of representatives from Mexico, the United States, Spain, Costa Rica, Norway, and France—who would guarantee its compliance. The document would establish:

1. The parties' pledge to declare a suspension of military actions on an established date; and
2. The gathering of forces in previously negotiated places.
3. In compliance with the Queretaro Accord, the government will simultaneously start: a. The immediate dissolution of the Civilian Self-Defense Patrols throughout the national territory. b. A reduction of Guatemalan Army forces, up to 50 percent, within a peremptory deadline established by the parties. c. A purge of Armed Forces commanders and officers involved in human rights violations. This will be established and recommended by a special commission comprised of four former presidents who signed the Esquipulas II Accords and a representative of the UN Secretary General.

The URNG General Command considers that this is the only way to positively and quickly advance toward the achievement of a firm and durable peace. The document will be sent to the conciliator, Msgr. Rodolfo Quezada Toruno; delivered to UN observer Jean Arnault; and

notified to the national and international community. It trusts the document's constructive contents will be valued as a complement to the presidential proposal.

It also ratifies that, to hasten the negotiation process and give it an efficient continuity, it is essential to discuss and sign an overall human rights agreement as soon as possible.

[Dated] 20 January 1993.

Army Rejects URNG Reply

PA2601043193 Guatemala City EL GRAFICO in Spanish 24 Jan 93 p 4

[Text] The Guatemalan Army has rejected the reply from the Guatemalan National Revolutionary Unity [URNG] to the cease-fire proposal presented by President Jorge Serrano Elias at UN headquarters.

Captain Julio Alberto Yon Rivera, director of the Information and Press Department of the Army, mentioned the URNG's request to "purge military commanders and officers involved in human rights violations" and said this is ridiculous because "the URNG is the one that has violated the law and is responsible for many murders."

Mentioning the request concerning the suspension of Civilian Self-Defense Patrols, the military spokesman said this will be done, provided "disarmament and demobilization of the rebels occurs."

Capt. Rivera rejected the possibility of a reduction in the Guatemalan Army and said the guerrilla groups' request is "part of a political struggle because their military struggle has failed."

Honduras

President Callejas Justifies Military Budget

PA2601030193 San Pedro Sula TIEMPO in Spanish 25 Jan 93 p 18

[Text] Tegucigalpa—President Rafael Leonardo Callejas has said that the Armed Forces require new equipment to fulfill new tasks such as protecting the maritime and insular areas, fighting drug trafficking, violence, and crime.

Without specifying its cost, Callejas mentioned the need for new military equipment when TIEMPO asked him about the new tasks to be undertaken by the Armed Forces, which will not permit a reduction in the defense budget to take care of the grave problems of health, education, and unemployment afflicting most Hondurans.

"The Armed Forces must replace old equipment that does not necessarily meet the requirements of modern society and the struggle it poses," Callejas said.

Armed Forces Commanding General Luis Alonso Discua has firmly rejected recommendations from politicians of the National Party of Honduras (PNH) and Liberal Party of Honduras (PLH) in the sense that military expenses should be reduced to face problems in the areas of health, education, housing, and unemployment.

Callejas said there has really been a reduction in the funds assigned to the Armed Forces in the national budget, and complained that this reality is not accepted.

"There has been a reduction in the Armed Forces budget, but we must admit that we need a military force that can meet our future needs," he said.

He added that the defense budget "was reduced from 2.86 percent in 1989 to 1.2, 1.3 in 1993, which shows that there has been a real reduction in the Armed Forces budget."

Callejas said: "We know there are other serious problems in the country, such as drug trafficking, violence, and common crime, and that the Armed Forces must have the necessary funds to deal with those problems."

Callejas agreed with the Armed Forces commander in the sense that "there is a clear tendency not to recognize and accept the Armed Forces budget."

He added that "certain media insist in saying the Armed Forces budget is 500 million lempiras, which is not true. The national budget approved by Congress includes the amount assigned to the Armed Forces; there are no additional funds, except for U.S. military aid, which this year will be a very small sum."

Callejas recalled that the military budget "was very high in the 1980's when it totaled 275 million lempiras—at an exchange rate of two for one—and that in addition, the Armed Forces received several million dollars in military aid because of the presence of irregular forces of the counterrevolution [Nicaraguan contras] in Honduras."

He said the Armed Forces' policy "is centered more on the activities of the Public Security Force and the administration of our insular and maritime areas. Consequently, we believe the Armed Forces should be reoriented."

Callejas said that there has been a real and effective reduction of the Armed Forces participation in the national economy." [quotation marks as published]

The 1993 Armed Forces budget totals 267 million lempiras, including an increase of 20 million lempiras granted by the government.

Group Claims Credit for Attack, Announces New One

PA2501193593 Tegucigalpa Voz de Honduras Network in Spanish 1626 GMT 25 Jan 93

[Communique from the "Group of Four;" date and place not given]

[Text] We, the Group of Four, honest and decent Hondurans who dearly love our fatherland, are hereby claiming credit for the armed political action carried out against the son of Humberto Regalado Hernandez, a man responsible for crimes against mankind.

The attack on Kevi Regalado took place on Third Avenue in San Pedro Sula.

We inform the people that we have become the armed branch of the Human Rights Committee, although there is no institutional relationship between us.

We reject lies aimed at misinforming the people. The lies are aimed at trying to link us with drug traffickers and with criminals such as Jose Mata Ballesteros, with whom we have no links.

We emerge in public life to apply justice to the heartless people who killed Ricci Mabel Martinez and to those responsible for so many missing countrymen.

Our sole objective: An eye for an eye and a tooth for a tooth. We are saying that injustice must end in this country.

We welcome demonstrations by the Human Rights Committee and its publication in the daily LA TRIBUNA in edition No. 5,045 on 13 January 1993. We welcome attorney Renan Perez' decision to abandon the case against the murderer of Ricci Mabel Martinez. This is the least we could expect from him. Henchmen Rafael Medina y Diaz and Francisco Lago Hallman, the defenders of a jackal, can consider themselves dead.

To prove that we are serious, we will carry out our next attack in Tegucigalpa. It will be against a soldier or one of his children so that they get an idea of the terrible pain suffered by Mrs. Betty Sevilla in La Cieba, Atlantida.

The war has begun.
[Signed] Group of Four
Postscript: The authenticity of our communiques can be verifed by the seal that will appear on the upper part of the document. It reads: Honduras.

Nicaragua

Comptroller General on Presidency Minister's Dismissal

PA2601011793 Managua Radio Catolica in Spanish 1100 GMT 25 Jan 93

[Text] Comptroller General Guillermo Potoy on 23 January said he acted in strict compliance with the law when he ordered Presidency Minister Antonio Lacayo's dismissal. Comptroller General Potoy was invited to participate in Radio Catolica's weekend roundtable.

Engineer Lacayo's defenders have tried to ridicule or minimize the resolution issued by the Comptroller General's Office by saying this is just another episode in the squabble between two brothers-in-law, meaning the rift between Alfredo Cesar and Lacayo.

Dr. Potoy said Presidency Minister Lacayo has been dismissed, strictly from a legal standpoint. We repeat the information: Dr. Potoy said Presidency Minister Lacayo has been dismissed, strictly from a legal standpoint.

[Begin Potoy recording] We are here precisely to clarify the resolution issued on 22 January by the comptroller general concerning the Presidency minister. First of all, I would like to tell you clearly there is nothing personal against Lacayo in this case. I have never had anything against him and if anyone tries to imply this is part of the rift between two brothers-in-law, it is not true.

I respectfully believe everyone can choose his friends and he can also choose his enemies. Just because a certain person and I are friends does not mean I have to be a friend or enemy of this or that other person. The same principle applies to the rift between two brothers-in-law. I have nothing to do with that. That is an issue that only concerns them.

Sometimes people want to create the impression the Comptroller General's Office acts upon orders from Cesar. He has been busy fulfilling his duties as president of the National Assembly and the Comptroller General's Office has a team of capable men, both in the accounting and audit areas. We also have extremely capable lawyers who can very well discern what is most appropriate for the Comptroller General's Office and the comptroller general as such.

We have ad honorem legal advisers. These people.... [pauses] one of them is here with me today. Dr. Sergio Garcia Quintero is one of them. Even though we cannot pay his fees he has been quite willing to help every time the Comptroller General's Office calls him, just as if we had every right to call him. He has helped in a timely manner every time it was necessary.

I want to clearly state this is not a personal matter. This is a situation that resulted from the actions of certain officials, whether those actions were intentional, because the final results were compromising. We had no other choice. We had to act according to the law. [end recording]

Comptroller General's Dismissal Possible

PA2501235793 Managua Radio Sandino in Spanish 1830 GMT 25 Jan 93

[Text] A source very close to the president of the Legislative Assembly has told "Radio News" that President Violeta Chamorro could send to the Legislative

Branch, at any moment, an urgent request to dismiss Comptroller General Guillermo Potoy. During the past few days, Potoy has stepped up his attacks against government strongman Antonio Lacayo. At the same time, President Chamorro reportedly would send a list of three candidates to the Legislative Assembly from which the new comptroller general is to be chosen. Our source assured that Julio Cardenas, former economy and development minister, has the post virtually assured.

Up until 22 January, President Chamorro had planned to oust Comptroller General Potoy with the support of the center group that would request his dismissal from the full assembly. Immediately thereafter, the Executive Branch was to send the list of three candidates from which Potoy's successor was to be elected. Nevertheless, Potoy's initiative to oust Lacayo has hastened President Chamorro's decision to ask for his dismissal, our source has said.

Daniel Ortega Warns of 'Imminent' Civil War

PA2601014893 Managua Radio Ya in Spanish 1100 GMT 25 Jan 93

[Text] Daniel Ortega Saavedra, former president of Nicaragua and secretary general of the Sandinist National Liberation Front [FSLN], is visiting Mexico City. He warned that a civil war might again break out in Nicaragua given the lack of security measures to control former contras who have again taken up their weapons.

Daniel Ortega, a former president and present FSLN leader, gave statements to the Mexican newspaper EL UNIVERSAL. He said the Army and police face limitations and cannot protect peasants who are attacked by groups of former contras. He also said a critical situation prevails in the country, which could easily result in a new war.

Ortega said a war is imminent in Nicaragua, caused by economic and social problems. He added the FSLN supports all the actions carried out by the Army to counter the increase in violent actions in the country.

* Interdependence of Government, FSLN Viewed

* Need for Dialogue

93CA0048A Managua BARRICADA in Spanish 3 Dec 92 p 13

[Commentary by Ernesto Castillo M.: "Where Are We Headed?"]

[Text] With every day that passes, Nicaragua's future looks even gloomier and more confused. After the period of uncertainty that followed the 1990 elections, we entered a phase of relative calm resulting from the sensible attitude taken by the new government and the FSLN [Sandinist National Liberation Front].

Despite the election loss, no one doubted that the Sandinist Front was capable politically and militarily of defeating Mrs. Chamorro's government at any time. The Sandinists and the government both realized full well that the survival of one depended on the survival of the other. An undisguised attitude of the government aimed at exterminating the FSLN and destroying the basic achievements of the revolution would have meant its downfall.

The dangerous political instability in which we now find ourselves causes us to wonder whether that sensible attitude has been lost or whether there has been a change in the elements that previously forced the government and FSLN both to avoid a confrontation that would put the power of either one of them at stake.

The elements comprising the political power of the FSLN and the government have deteriorated substantially, a fact that logically renders their coexistence increasingly less sensible and more unstable.

The FSLN has been negligent about correcting errors in leadership and conduct, resulting in a collapse of party organization, accompanied by nonconformity and a lack of trust on the part of many of its members. Combined with this is an absence of activism previously found in the Armed Forces.

For its part, the government has not emerged as an autonomous political group and has had to tolerate the clearly confrontational and destabilizing actions of its allies: UNO [National Opposition Union], the Catholic hierarchy, and the American Administration.

These sectors are not content to be tactical allies of Mrs. Chamorro for the sole purpose of putting her in power. Rather, they are demanding hegemonic participation in the use of government power. Even in the government, positions such as that of former Minister De Franco, Minister Belli, and Comptroller Potoy affect the coherence and firmness needed to guarantee a unified government policy.

Survival Agreement

To this one must add the attitude of the president of the National Assembly, who practically destroys the institutionality of the government by refusing to recognize the Judicial and Executive Branches, generating chaos and anarchy that could render the construction of a state of law within which all Nicaraguans can coexist impossible.

The extensive military deployment that we are now witnessing is no accident. The conflict in the Assembly, Alfredo Cesar's contemptuous attitude, the exacerbation of social problems, and the possibility that forms of protest exceeding anything foreseen by political or union leaders could lead us to a situation beyond the control of this ever weaker government.

If the FSLN and the government decide to break with minimum norms of coexistence, the latter has no other choice than to depend on an army which, in addition to its weapons, now has the political strength bestowed by

professionalization. The partisan independence and weakness of the government now allow the army to assume a leading role surpassing any formal dependency on government structures.

In Nicaragua, we shall for a long time continue to endure social conflicts that will necessarily pit the government against social sectors suffering from a deteriorating economy. Even with foreign aid, Mrs. Chamorro's government has not had the resources to apply an economic policy that would at least check any possibility of a social explosion.

Lacking the resources to modify its economic policy and the ability to gain control of the destabilizing actions of its former allies, the government will have to resort to the use of arms in order to rule or allow arms to rule alone.

There still may be time and opportunity to find a solution that will not mean resolving all issues by the use of weapons. The FSLN, government, and relevant political and social forces could at least achieve survival agreements if they would engage in a dialogue based on a real recognition of the strengths of each sector.

* 'Cogovernment' Explored

93CA0048B Managua BARRICADA in Spanish 9 Dec 92 p 13

[Commentary by Reinaldo Antonio Tefel]

[Text] Nicaragua now finds itself in one of its worst crises. Its crushing economic problems, the accelerated impoverishment of the majority of Nicaraguans, profound moral and social deterioration, political polarization and radicalization of destabilizing rhetoric, the refusal to recognize the Political Constitution, state of law and violations thereof, and the scorn demonstrated for human, political, social, economic, and cultural rights by different sectors are all joined by a growing state of violence that could plunge the country into an abyss from which it is nearly impossible to emerge. Examples: Guatemala, Lebanon, and Peru.

In this complex, dramatic, and difficult situation where confrontational elements are assuming ever greater proportions, patriotic voices can be heard calling for wisdom, reflection, and national understanding. Various polls confirm that the vast majority of all Nicaraguans want peace and a solution of consensus.

Under such circumstances, is cogovernment possible? The revengeful, reactionary right reproaches the government for supporting cogovernment with the Sandinists, as if it were something evil. And yet, the problem does not lie in whether or not cogovernment could exist under the current conflictive circumstances, but rather, in the fact that no cogovernment exists or has existed. Nor do the right conditions for a government of national unity exist, despite the urgent need for one. Since the term "cogovernment" is now loaded with a pejorative meaning, we would do better to use the phrase "government of national unity."

I am forced to resort to a platitude: "When the nation is in danger," although it is no longer merely rhetorical; it is the bloody truth. When the nation is in danger, we must unite the efforts of all Nicaraguans, groups, and sectors in a government of national unity based on a general understanding or consensus. If we engaged in a patriotic, serious dialogue—and one should exist—and if the various parties would relinquish their extreme positions, we could end up with three alternatives: optimum, intermediate, and least desirable.

Optimum Alternative

One could exist if we achieved a broad, solid consensus to initiate a national democratic program lasting several decades and promoting integral development with fairness and social justice. Two fundamental factors would have to converge for this to be so:

First, free of Reaganite pressures exerted by Bush to apply neoliberal policies and seek revenge, the government should give positive consideration to social policy proposals contained in the controversial Pastoral Letter of the Episcopal Conference and FSLN proposals for a change in economic direction.

Both documents (the social aspect of the former) could comprise working documents for the national dialogue, complemented by the plan of government and, naturally, the speech by the minister of the presidency before the Conference of Donors announcing a significant shift in the government's economic policy.

The government must make its adjustment policy flexible. For example, international organizations proposed reducing inflation to 15 percent. The government has done so with such incredible speed that it has been reduced to 5 percent. Whence one of the main causes of the recession, unemployment, and the impoverishment of the great majorities.

It must be recognized, however, that this government is different from other neoliberal Latin American governments in the willingness of top government officials and other political, economic, and social protagonists to engage in dialogue. Nevertheless, when forced to negotiate specific problems in their own areas, some officials arrogantly reject dialogue and frequently fail to do what they had initially agreed to do. We could say the same thing about certain repressive, violent acts by law enforcement agencies.

Second, the FSLN must unequivocally express its willingness to support the government so that it may serve out the constitutional presidential term for which it was elected. It must condemn violence without ambiguities or contradictions, whatever the source, above or below, the right or the left, internal or foreign sectors, as well as

the abandonment of any language associated with war. The people no longer want even the appearance of war.

In the case of Sandinism, which transcends partisan structures and embraces people's organizations and autonomous social movements, although there are sometimes censurable rhetorical excesses and actions loaded with violence, when compared with the conduct of people's struggles in Latin American and even European countries and with urban social explosions in the United States, our adversaries have to recognize a respectable level of maturity and civic-mindedness that we hope will not be lost in the escalating violence.

This transparent, democratic, sensible, and patriotic political conduct, which is the fundamental condition for serious understanding, must also be followed by the political and economic groups and party factions and fictions comprising UNO [National Opposition Union]. Some of them are openly calling for the overthrow of the government, the disappearance of the EPS [Sandinist People's Army], and its replacement by a partisan, sectarian, revengeful armed body that would repress the people and their organizations.

It is obvious that they seek to restore the rightist dictatorship of Somocism, even though they wrap it up in Christmas paper, give it angel wings, and a beatific face. There are naturally persons of good faith in such positions who must be brought around to reconciliation by persuasive means. There are also groups with balanced attitudes inside and outside of what UNO was. They have their own place in the search for a national consensus.

If the optimum alternative should be achieved, then we would have suitable conditions for a government of national unity.

Intermediate Alternative

If the national consensus required for achieving the optimum alternative is not attained, we must strive for an intermediate understanding, agreeing on economic growth with social equity, which, qualitatively speaking, is a step below social justice. For this alternative, we must maintain consistently high levels of communication and dialogue, as well as elements of a government of national unity, in order to overcome violence and consolidate peace and democracy.

Least Desirable Alternative

If we cannot even achieve an intermediate consensus, we must make a supreme effort to "achieve at least survival agreements," as Ernesto Castillo states in his lucid article "Where Are We Headed?" In this alternative, communication and dialogue will be even more necessary so that we can at least save ourselves from violence. The FSLN must assume higher levels of democratic and popular opposition, always within the framework of the constitution and the state of law and using civic and peaceful methods of struggle.

In all three alternatives, the FSLN must maintain its identity, pursue its necessary adaptation to the historic circumstances, and bring about an authentic and fundamental renewal.

* Labor Strikes' Effect on Economy Viewed

93CA0049C Managua LA PRENSA in Spanish 3 Dec 92 p 14

[Commentary by Pedro J. Chamorro, Jr.]

[Text] The photos on pages 1 and 12 of LA PRENSA's 1 December edition showing the antiriot police driving back demonstrators, along with the rocks and paving stones thrown at them, are by now familiar scenes.

We do not publish them because we like them but because it is our job to report the facts and help the people become aware of this vandalous activity that has become the "sport" of destruction.

The violent demonstrations by "strikers" who take over highways, burn tires in the streets, and block the traffic of those who do want to work do unimaginable harm to the economy.

This form of caveman protest makes it even more difficult to find a solution to the very evils that generate the protest, resulting in a vicious circle that seems to have no end but that has involved the Nicaraguan economy in a maze.

The FNT [National Workers Front] protests because there is no work, but with its very peculiar form of protesting, it delays possibilities of obtaining any because the riots frighten away investors who, as one report recently stated, "come, see, and leave."

It protests because it wants better wages, but the strikes only reduce our production. Lower production means fewer resources to be used to improve wages.

In other countries such as Taiwan, where one can observe a true economic miracle and where as ambassador I took up the task of trying to direct a flow of investment toward Nicaragua, I learned that the bonanza did not occur without discipline, sacrifice, and work of an entire people and without a climate of stability provided by the government.

It is therefore clear why investments have not come to Nicaragua, where these factors are conspicuous by their absence and where a systematic policy of destabilization has been followed by the radical sectors of Sandinism.

In Taiwan, the Chinese first made the cake and are now dividing it up. Here, the FNT proceeds on the premise that one eats it before it is made. If it does not appear, one "demands" it from the government, as if the government had a magic wand for manufacturing wealth. The resources available to the government are ever more scarce since we have seen a reduction in the international

subsidy to our economy, perhaps because donor countries are not seeing the fruits of their generosity.

They want to privatize government-owned enterprises for the benefit of a working political class that has brought them all to the brink of bankruptcy. Why not learn from the successful examples of privatization such as Pepsi Cola and El Esquimo? In these two companies, the union made do with a small percentage of the company in exchange for its rescue, which in turn guaranteed the workers higher wages and labor stability.

Which came first: the chicken or the egg? The FNT does not seem to care. It would like to swallow up the egg, the hen, and even the soup!

If people like Lucio Jimenez and Damaso Vargas had the least bit of common sense, they would realize that if we do not break this destructive vicious circle of our economy soon, they will not have any workers to lead. By their "methods of struggle," they will destroy any possibility of economic recovery.

The FNT may want to go on sinking Nicaragua so that in 1996, the people will vote for another change in favor of Sandinism However, they forget that the Nicaraguan people do not suffer from "historic amnesia" and will never forget who is responsible for the state of poverty in which we now find ourselves. They are the same ones who in this new period allow Nicaragua no rest.

Another possible explanation for the irrational behavior of these leaders of subversion is that through this pressure on the government, they are trying to end up with countless government-owned enterprises and thus strengthen the economic power of the FSLN [Sandinist National Liberation Front] in order to use it in future political contests.

This strategy has no future either because in the hands of such "businessmen," no business can survive.

Panama

Bus Drivers Protest Violence, Block Airport Road

PA2601005193 Panama City Telemetro Television Network in Spanish 1730 GMT 25 Jan 93

[Excerpts] Riot police used tear gas to try to dislodge bus drivers who blocked the intersection of the highway to Tocumen Airport and the entrance to the Pedregal neighborhood. The protest by bus drivers, who are demanding increased security in their daily activities, is continuing.

After blocking the intersection for several hours, riot police proceeded to dislodge the bus drivers of the 12th Street-Pedregal route who were protesting the killing of a fellow bus driver on the night of 24 January. The bus drivers, who expressed their discontent over the wave of violence and thefts, said they will not move their buses until officials hear their demands. This situation led the police to try to remove the buses with tow trucks, an action that caused moments of tension in the area.

[Begin unidentified bus driver recording] Beginning today, there will be no bus service to San Joaquin community. We demand that information about the murderers of our comrade be issued soon. We want to know what measures will be implemented to provide security to bus passengers and drivers in our community. We demand the presence of the government and justice and public works ministers and the traffic director. We also demand that our legislators pass a law to cover bus drivers in case they are murdered. [end recording]

Several attempts were made to hold a dialogue but the bus drivers said they would not leave the area until the government officials showed up. This situation led to various clashes between the bus drivers and the National Police. The traffic jam has affected hundreds of people going to work and many people who were traveling to the airport missed their flights. [passage omitted]

According to the latest reports, the intersection remains closed while the bus drivers wait for officials to hear their demands.

[At 1758 GMT, a reporter at the protest site reports that "the bus drivers were forced to clear the highway after the police used tear gas against the crowd." He adds: "At this time, the highway is clear and traffic has returned to normal."]

Canal Administrator Discusses Commission, Changes

PA2501170193 Panama City LA PRENSA in Spanish 24 Jan 93 p 6a

[Interview with Gilberto Guardia with unidentified reporter at the Panama Canal Commission administration building in Panama City; date not given]

[Excerpt] [passage omitted] Guardia welcomed LA PRENSA into a large office in the canal administration building in Balboa. He talks unhurriedly and emphasizes his statements with hand gestures. He smiles and explains his vision of 31 December 1999: "It must be a day with no visible changes, a day for users to be assured that the canal will continue to operate as it always has.

"(...) People use the canal not because they sympathize with it, but because it offers a service that meets their needs. Dramatic changes would send all sorts of insecurity signals. Changes that need to be made should be made gradually with great equanimity. They must be evolutionary changes. To me the most important thing is to monitor the organization continually and find areas that can be improved."

[Batista] Are changes needed in the commission?

[Guardia] "I think Panama should assume control of the commission in the state in which it exists on transition day. By then, certain changes will have been made

because change is continuous. Small adjustments are being made. In 2000, we should continue making changes in the same manner so that the message we send out conveys a sense of security and trust."

[Batista] How do you view the canal?

[Guardia] "I see it this way: as an activity that involves a great responsibility that marks a new twist in the country's history. A page is being turned. Panamanians must start thinking about the Panama Canal no longer as just a waterway that exists here but rather as a waterway that Panama will be responsible for in just seven years.

"One of the things that most Panamanians have done (including me before I got here (...) one learns the importance of certain things) is to live historically with their backs toward the Panama Canal. We have viewed it as something others built and operate. We see it from the Bridge of the Americas or when we use the ferry; we simply view it as a waterway that vessels cross."

[Batista] What will happen after 2000?

[Guardia] "The problem is that we must start working now. Nothing can be defined between 1200 on 31 December 1999 and 0700 on 1 January 2000. When one speaks of Panama it seems as if they are referring to something ethereal. What is Panama? The answer is us, Panamanians, the same Panamanians who must have reached a clear understanding of the canal by that time.

"The important issue is that Panama must make important political decisions but has failed to do so because it has never needed to make them. They are political decisions that will affect Panama's fate beginning in 2000. We have been inclined to think (because there is now interest in the topic) that this is something we need not worry about. [sentence as published] Between now and 2000, this country should have reached a national consensus on a number of very important issues that cannot be handled based on group, party, or political interests. We must make a responsible analysis based on national interests."

[Batista] Could you mention a few of those topics?

[Guardia] "One in particular is among the most important: the toll policy Panama will follow after 2000. Many people would say superficially that raising tolls would bring more income into the country, but this would be like killing the goose that lays the golden eggs. It would be similar to when Tocumen Airport was built and we thought the thing to do was to raise plane fuel prices, but the result was that all airlines left Panama. The world does not work this way. The canal must be competitive and offer needed services to countries using it. Should we follow the irresponsible policy of raising tolls, other alternatives to the Panama Canal could emerge. Panama could stop being a truly important international trade center and could lose all of the derived benefits."

[Batista] Alternatives such as dry canals through the isthmus?

[Guardia] "The strongest competitors are dry canals. The United States is a land canal itself. This system offers a service to a certain type of user, with which the Panama Canal cannot compete even if we eliminated the tolls. The factors at play not only include toll and transportation costs but also the time factor. Time is money.

"Other land canals have not been able to compete with the Panama Canal. There is one in Mexico that has not been able to compete with Panama because it lacks the required elements. There is excessive paperwork [manejo], which makes it inviable. The same will happen to the land canal in Costa Rica (it will do worse than the one in Mexico because it is closer to the Panama Canal)."

[Batista] Do you aspire to occupy other government posts in the future?

[Guardia] "No. I really did not even aspire to this one and do not aspire to others. I have worked really hard all my life. Prior to 1990 I was planning to reduce my activities. My children have grown up and some of them are working for my companies. My plan at that time was to do the things I was unable to do when I was young because I was too busy. I thought I could start doing those things now while remaining active in my companies, but without having full responsibility for their operation.

"That was my plan when the president and vice president of the Republic called on me. Although it was not what I had in mind, it was a responsibility that was very difficult to avoid. One sometimes feels that while certain things must be done, it is easier to just say 'not me, have someone else do it.'"

[Batista] Is this like taking the reins?

[Guardia] "That is correct. I was motivated. I thought: 'This is a challenge at a very important moment for Panama' and I decided to accept the post. My plan after I complete my tenure, unless something else happens before then, is to do as I had planned before."

Argentina

Di Tella Says Government To Receive Refugees

PY2501200793 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 25 Jan 93

[Text] Argentine Foreign Minister Guido Di Tella has announced that the Argentine Government is willing to receive Croatian refugees and asserted that they will be received regardless of the creed, ethnic group, or zone to which they belong. This announcement was made by Di Tella in Zagreb after meeting with Croatian authorities at the (Berse) Palace.

Army Chief of Staff Visits Troops in Croatia

PY2501200593 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 25 Jan 93

[Text] Army Chief of Staff General Martin Balza held new meetings with Argentine personnel stationed in the former Yugoslavia to voice his appreciation for their participation in the UN peace-keeping forces.

Balza travelled to (Gakobo), 170 km from Zagreb, where he visited three military units based in this area to personally learn about their situation.

Five New Finance Under Secretariats Created

PY2501190793 Buenos Aires TELAM in Spanish 1412 GMT 25 Jan 93

[Summary] Decree No. 2737/92 is published today in the official gazette. It establishes that the Finance Secretariat will now comprise five under secretariats: the Budget Under Secretariat, the Fiscal and Economic Relations with Provinces Under Secretariat, the Financing Under Secretariat, and the Patrimony Normalization and State Assets Under Secretariat.

Navy Area Becomes 'Atlantic Naval Area'

PY2501125793 Buenos Aires TELAM in Spanish 1025 GMT 25 Jan 93

[Text] Bahia Blanca, 25 Jan (TELAM) — The Navy chief of staff has ordered that as of 1 February 1993 the Puerto Belgrano Naval Area will be called the Atlantic Naval Area.

The change follows the need to adapt the name of said area to its real geographical jurisdiction, which encompasses the area from 20 nautical miles south of San Borombon Bay, Buenos Aires Province, to 30 miles south of San Julian Port, Santa Cruz Province.

Corvette Captain Leonidas Maloberti, public relations and ceremonies chief for the area, explained that community relations, military justice functions, and the coordination of operational and logistical support for search and rescue vessels are carried out along the extensive coastline and in the adjacent Atlantic Ocean.

Bolivia

Foreign Ministry Says Attack on Iraq 'Justified'

PY2501212193 La Paz HOY in Spanish 16 Jan 93 p 7

[Text] The Ministry of Foreign Affairs and Worship has issued—quite untimely—a communique on the military operations mounted by U.S., French, and U.K. aircraft in southern Iraq.

The press communique states:
"1. As a member of the league of nations that adhered to the UN Charter, Bolivia reaffirms its support for the basic principles governing peaceful coexistence and the negotiated settlement of disputes and conflicts, and believes that the aforementioned air raid on Iraq must be considered as a limited operation aimed at persuading the Iraqi Government to abide by UN Security Council resolutions, which propounded a settlement of the 1991 armed conflict.

"2. The Ministry of Foreign Affairs and Worship believes that, pursuant to the current international order, the use of armed force can only be justified on the grounds of strict enforcement of resolutions and decisions adopted by the United Nations, as was the case concerning the attack on Iraq. UN resolutions bind the international community to seek, above all, to preserve peace within a new international order ruled by the principles of international law.

"3. The Ministry of Foreign Affairs and Worship urges the parties involved in the Persian Gulf conflict to strive to restore peace in the region in accordance with UN Security Council resolutions."

Brazil

Interview With Finance Minister Paulo Haddad

PY2501164893 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 24 Jan 93 Economy Section p 4

[Interview with Finance Minister Paulo Haddad by Beatriz Abreu and Armando Mendes—place and date not given]

[Text] [O ESTADO] Will the government react to the increasing inflation experienced during the past few weeks?

[Haddad] We are concerned because inflation has grown much more than expected at the beginning of the year. During the first week of January we made informal enquiries with institutions and consultants who started the month with a prediction of 26 or 26.5 percent, some up to 27 percent. In truth inflation has climbed up to 28 percent. The serious thing is that it is caused by people speculating with foodstuffs, especially industrialized products and meat. We had hopes that the new minimum salary, the reorganization of government food

stocks, and the new price lists would help to keep inflation around those figures.

[O ESTADO] What is the government going to do to tackle these new increases?

[Haddad] It must be pointed out that there are two stages. First, the struggle against inflation is subject to the phase in which you establish the prerequisites for the stabilization program. This includes the document containing the short-term guidelines referring to the reorganization of the debts between the central government, the states, and municipalities. The law rescheduling the states' debts is ready, and we also have the fiscal adjustment, the 1993 budget, and the implementation of the agreement to reschedule the foreign debt—all of which falls within the first stage during which we intend to administer inflation in a more gradual manner. We are currently engaged in this stage. During the second stage we will implement the stabilization program. What does this program entail? We have asked several specialists to draw up this program. It will have no ties with the heterodox system of the past. It will be a systematic program.

[O ESTADO] When will it be implemented?

[Haddad] When the following prerequisites have been established: a feeling that the public sector is under control, the flow of foreign capital has been normalized, and confidence in the government has been restored.

[O ESTADO] What sort of measures could this program entail if it is not going to be of an heterodox nature?

[Haddad] We are studying what measures to implement. We are getting ideas from here and there, consulting specialists. We have several people working on this issue. The president himself is closely following the discussions. We are going to speed up contact with economists now because the president wants to hear suggestions regarding the stabilization program. The president is discussing interest rates with one economist, employment policy with another, and the resumption of the country's growth with others. The president will chose the economists according to their speciality. He is designing the stabilization program.

[O ESTADO] Can you say when this program will be implemented. Will it take long before these prerequisites are established?

[Haddad] It depends. The implementation of the guidelines is taking place faster then expected. The case of the Federal Savings Bank (CEF) will be solved by next week. The state and municipal debts have been rescheduled and we are going to reach an agreement with Congress in two weeks...

[O ESTADO] These guidelines are in writing. Have they been approved in writing?

[Haddad] No, not in writing. The CEF will stand on its feet again in two months time. In the guidelines we talked about solving the debt of the electricity sector, and now we have a draft bill related to this problem. Decisions regarding the ports, the awarding of bids, and the fiscal reform, all those issues are making progress, and so I am optimistic.

[O ESTADO] Will the government try to extend the deadline for the payment of the domestic debt during the second stage?

[Haddad] There are several suggestions regarding the stabilization program. I will not mention any because we have not chosen any so far. We must take advantage of the fact that we have a good level of reserves, but there is still nothing definite.

[O ESTADO] The idea of backing long-term public securities with the reserves is being assessed?

[Haddad] The idea exists. If the debt profile is extended it will be through the implementation of market mechanisms, not compulsory mechanisms. However, this program is so remote that it is better to mention that what the government is doing now still does not represent a stabilization program.

[O ESTADO] In the short-term then, what instruments will the government use to fight speculation?

[Haddad] We have made many commitments, and we will keep them throughout this administration. They are related to non-intervention in the market, the point of view on price freezing, price lists, and check lists. But we do not want to remain trapped. The people want action. We will act in three ways. First, by continuing to get the people's cooperation. There are companies—the names of which I will not mention—which use monthly price lists and which will be asked to cooperate with the government by changing their position mainly on foods, and perhaps on cleaning products. Daily monitoring is being carried out to see what products and companies are getting away from the anti-inflationary process. The first measure is to talk, to show a spirit of cooperation, and to appeal for a business counter-proposal to the government position with regard to respect for the market economy.

[O ESTADO] And if that does not work?

[Haddad] The second measure relates to specific actions. They may relate to importation or to the reduction of tariffs. Now we regret that last November we did not reduce tariffs on industrialized food products because we could have better straightened out the situation of supply. Inflation was declining and we did not expect that type of speculation.

[O ESTADO] What was the reason for that speculation?

[Haddad] There are problems related to the recovery of profits. Business groups that were behind with their profits are trying to recover very quickly believing it may be a temporary recovery. They are trying to make a great amount of profit in a short time.

[O ESTADO] And the third measure?

[Haddad] We will implement legislation that restrains the use of abusive actions to make profits based on Law No. 8158 of 1991 that was regulated by Decree 36. That legislation calls—when there are indications of abusive actions to make profits—a consultation to the National Secretariat for the Defense of the Economy [Secretaria Nacional de Defensa Economica—SNDE]. The SNDE may establish a reduction of current levels of profit to those existing before the abuse was committed. It can also establish a price regulation based on the average prices in the area.

[O ESTADO] Has this been done before?

[Haddad] No, this is new. Industry will understand that this is not a control measure. This practice is used in many countries. It establishes a government position to counteract speculation. Because one can say: I will not release price lists, I will not freeze prices? Imports cannot resolve the problems in some areas. Then this gives room for a great deal of speculation, making people defenseless. This is why it is a good measure. First, we will not frighten anyone with price controls, and we will act within the law approved by Congress. It is a law with which businessmen are familiar but believe the government will never implement.

[O ESTADO] In the case of medicines, can laboratories say there was an agreement with the previous government to increase price?

[Haddad] No, because our studies considered that agreement. We halted prices, we are making price increases more flexible by implementing a high inflation index, awarding a real 6 percent increase.... We consider the best choice and, even though there are hundreds of products in the process, we will file against that industry. A political decision was made to do that and technically speaking that law is the most modern.

New Minister Interviewed on Inflation, Growth

PY2501024893 Rio de Janeiro O GLOBO in Portuguese 24 Jan 93 p 36

[Interview with new Planning Minister Yeda Crusius by O GLOBO reporter Leise Taveira; place and date not given]

[Text] [Taveira] Well-humored despite the aftereffects of the pneumonia she suffered in December, new Planning Minister Yeda Crusius has two concerns: to fight inflation without hindering economic growth, and to create in Brasilia a team to play volleyball, which is her favorite sport. How do you plan to fight inflation and recession?

[Crusius] We cannot tame one beast and forget the other. The fight against inflation will have to be implemented simultaneously with the development programs already defined by Minister Paulo Haddad.

[Taveira] Does this mean you will be Minister Haddad's shadow, and will be subordinated to his ideas?

[Crusius] Absolutely not. We will form a team, and I don't believe Minister Haddad, or his wife Maria de Lurdes, would accept the idea of having a shadow heading the Planning Ministry.

[Taveira] What do you plan to do to reduce interest rates?

[Crusius] The level of interest rates must drop gradually, through the reduction in the public deficit and the implementation of the development projects.

[Taveira] Will the resources obtained through the IMPF [Provisional Tax on Financial Operations] be sufficient to finance these programs?

[Crusius] Government calculations have been modest and realistic. Freed from excessive expenses, the government will have the possibility of financing priority areas, such as those of civil construction and agriculture.

[Taveira] What do you think of the foreign debt negotiations?

[Crusius] The world is seing this issue differently from the way it did in the 1980's. Nowadays the financial system is aware that what is bad for Brazil is bad for the world. We will negotiate without making a distinction between the domestic readjustment, full of sacrifice, and the readjustment abroad.

President on Officials With Electoral Ambitions

PY2601112293 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 25 Jan 93

[Text] President Itamar Franco reiterated today that whoever wants to run for a public office will have to resign first. The president made it clear that this goes for all the ministers.

[Begin recording] [Unidentified reporter] President Itamar Franco explained that his memorandum, disclosed on 24 January, to the effect that any minister who wants to run for public office may do so only after resigning from his government job, was addressed to all his ministers, not just to [Federal Administration Secretary] Luiza Erundina, who has admitted that she is planning to run for governor of Sao Paulo State in the next elections.

The president also discussed energy-related problems. In the last few years the Brazilian Government invested 150 trillion cruzeiros in projects that are currently stalled, although they could be producing 20 percent of the energy the country consumes.

The president sees the Angra-2 nuclear power plant as a serious problem. Although it is yet not in operation, 140 billion cruzeiros per month are spent on equipment maintenance. The president wants to study Brazil's nuclear accord further but he already has made one

decision. The Angra-3 nuclear power plant will not be built. As for the fate of Angra-2 and other energy-related problems, the president wants to hear scientists and experts before making a decision. Thus, today he met a delegation of the Rio de Janeiro Science and Culture Forum [Foro da Ciencia e da Cultura do Rio de Janeiro]. Led by professor Luiz Pinguelli Rosa, the delegation arrived at Planalto Palace to urge the president to invest in oil prospecting without neglecting the production of fuel alcohol, and to give priority to hydroelectric power plants. The forum believes that all stalled energy projects, including Angra-2, must be finished.

[Pinguelli] Because of the enormous amount of money that has already been invested in Angra-2, it is technically and economically feasible to finish this project. We want Brazil to resume investing in fuel and electric energy. [end recording]

Poll Reveals Preference for Parliamentary System

PY2501155293

[Editorial Report] Rio de Janeiro O GLOBO in Portuguese in its 24 January edition on page 3 carries a 250-word unattributed article on the results of a poll conducted by Infoglobo on 13 January in Rio de January and on 15-16 January in Sao Paulo among 600 people in each city. The article cites 44.83 percent of those surveyed in Rio de Janeiro and 53.74 percent in Sao Paulo support the parliamentary system of government. Most advocate the dissolution of Congress and general elections to overcome the government crisis. One-third of those surveyed in Rio de Janeiro (39.17 percent) and 31.95 percent in Sao Paulo support the presidential system. Most people agree with direct election if the parliamentary system is adopted.

Colombia

Comptroller General Reports M-19 Corruption

PA2301023893 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 22 Jan 93

[Text] The 19 April Movement [M-19] has launched, with much fanfare, a campaign against corruption. What they did not know or expect is that they were to be at the top of the list of corrupt officials. The Comptroller General's Office has published a report that involves Health Minister Camilo Gonzalez's administration. This is undoubtedly a case of the pot calling the kettle black.

The M-19 in an advertisement offers a reward to those who report corrupt officials. The Comptroller General's Office delivered the results of a 1992 Health Ministry audit. Fifty officials, all appointed during the administration of Camilo Gonzalez Pozo, are on the list of those being investigated for not fulfilling their minimum job requirements.

Appearing on the list are Gerardo Ardila Serrano, adviser to the ministry and former candidate for mayor of Santa Fe de Bogota; Laura Patricia Garcia, former adviser to the deputy health minister and the widow of Carlos Pizarro Leongomez [a former a M-19 guerrilla and political candidate]; Liliana Guzman Gonzalez, currently a technical director with the ministry; Maria Elena Arollave, former acquired immune deficiency syndrome program director; and Marta Botero Terreros, former private secretary to the minister. Also listed in the report are the ministry's security and transportation chiefs and several heads of divisions, offices, and programs.

The Comptroller General's Office is investigating more than 20 provisional contracts that lasted more than nine months, while the maximum legal contract duration is only three months. Most of these are administrative career posts that were awarded without the job openings being publicly announced. The report is already in the hands of the Attorney General's Office, which has the last word. This is a case of the pot calling the kettle black.

PCC Urges Government, Rebels To Hold Talks

PA2501205993 Santa Fe de Bogota EL TIEMPO in Spanish 21 Jan 93 p 6-A

[From the "Echoes" column]

[Text] The Communist Party of Colombia [PCC] has urged the government and the Simon Bolivar National Guerrilla Coordinating Board to hold talks to reach an agreement to stop the armed confrontation. This is evidenced by the seven point proposal approved by the plenum of the PCC Central Committee held during the weekend of 16 January.

Rebel Leader Rafael Cabrales Captured

PA2401200793 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0030 GMT 24 Jan 93

[Text] A man identified as Rafael Ignacio Cabrales Alvarez was arrested by the Administrative Department of Security in Sucre and is believed to be the head of the Popular Liberation Army in Uraba. Cabrales Alvarez is charged with forgery of documents and, if his identity is confirmed, he will be charged with the murder of the mayor of San Pedro de Uraba.

His arrest was made possible by reports from townspeople and is another blow against the subversives.

EPL Leader Reportedly Killed in Pereira

PA2501223393 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 25 Jan 93

[Text] We have a last minute report from Pereira. Apparently, several guerrillas for whom there were rewards offered have been captured. Adelaida Villamil has this report from Pereira after contacting police in the last few hours to learn what happened. Go ahead, Adelaida.

[Villamil] Good afternoon. At this time, Major Pauwels is here with us. He is the acting commander of the San Mateo Battalion in Pereira, which on the morning of 25 January killed a leader of the EPL [Popular Liberation Army] operating here in the coffee-producing region.

Commander, tell us the results of this operation.

[Pauwels, identified by caption] Well, while conducting operations between Riosucio and Supia Municipalities, troops of the Army's 8th Brigade clashed with an EPL dissident group, killing its top leader known as Willington [not further identified] and one of his associates identified as Jose Humberto Betancourt Henao.

[Villamil] It was learned that there was a reward for these gentlemen. What was the amount offered, and was his capture related to this?

[Pauwels] Yes, the government was offering a 50-million-pesos reward for this gentleman. Thanks to this, the people reported all his movements in a timely fashion, which ensured the success of the operation conducted on 25 January.

[Villamil] Well, this is all from the San Mateo Battalion headquarters in Pereira. Let us go back to the studios.

Car Bomb Explodes in Exclusive Neighborhood

PA2601045893 Santa Fe de Bogota Emisoras Caracol Network in Spanish 0440 GMT 26 Jan 93

[Report by Dario Echeverri]

[Text] A car bomb exploded at 0025 [0425 GMT] on 26 January in the El Poblado area in the southeastern sector of Medellin. The explosion caused a power outage throughout a large area of this exclusive neighborhood in Medellin. It has been reported the car bomb exploded in [words indistinct] street. It is not known if there were casualties as the site is not very populated.

Paraguay

PRF Chooses Deputy, Senator Candidates

PY2501134093 Asuncion ABC COLOR in Spanish 25 Jan 93 p 5

[Text] Despite internal problems, on 24 January The Febrerista Revolutionary Party [PRF] held its primaries to choose its candidates for senators and deputies for the 9 May elections.

The Unity and Modernity for Change official movement was the only group that participated in the primaries, which caused PRF followers to attach little interest to the elections. Proof of this was the general absenteeism. Four lists for deputies and members of the departmental executive board were presented in the Central Department. PRF supporters agreed on the nomination of candidates in the remaining regions.

Victor Valdovinos, president of the PRF Central Electoral Board, reported that 18,000 PRF followers nationwide are authorized to vote, of which 5,000 are registered in the Central Department.

The Rafael Franco Multi-Sectorial [Multisectorial Rafael Franco] and the Febrerista Renewal Movement [Movimiento Renovacion Febrerista] did not participate in the primaries because they regard the current National Executive Board Committee as illegal. The former movement has joined the Democratic Coalition Board, and the latter has joined the National Encounter.

Although there was an approach in principle between the Unity and Modernity for Change and the Febrerista Renewal Movement, they did not manage to reach an agreement on the list of candidates for deputies and senators.

At the last minute, the Febrerista Renewal Movement filed a petition of amparo with the Central Electoral Board, but as of 24 January the PRF Central Electoral Board had not received any ruling on the suspension of the primaries.

The list of full members for the Chamber of Deputies representing Asuncion includes Euclides Acevedo, Marta Canese, Carlos Hugo Mendoza, Estela Avalos, Hugo Sanabria, Alberto Aranda, and Marco Duarte among others. The alternate members include Carlos Maria Ljubetich, Mario Bordon, Marcelo Scappini, Manuel Baez Ayala, Cinthia Martinez, and Ladislao Molinas.

The list of Senate candidates includes Victor Sanchez Villagra, Juan G. Granada, Enrique Sanchez, Anibal Sanchez, Luciano Gutierrez, Antonia Guillen, and Federico Robledo among others.

The list of candidates for the Chamber of Deputies for the Central Department includes List 1: Rolando Duarte and Alcides Garcete Medina; List 2: Erasmo Torres Perez and Jose Domingo Yanez; List 4: Heriberto Ruiz Diaz and Roberto Pena, and List 5: Victor Raul Rivarola and Porfirio Isidro Ramos.

Peru

Shining Path Calls for Strike Against Elections

PA2501210593 Paris AFP in Spanish 1924 GMT 25 Jan 93

[Text] Lima, 25 Jan (AFP)—Official sources in Lima have reported that the Shining Path has called for a "compulsory strike" on 28 and 29 January against the municipal elections that will take place on 29 January in Peru. The sources also reported that the authorities plan to increase security measures as of 25 January to respond to [words indistinct] the violent ones.

According to reports, cells of the terrorist organization have been painting slogans calling for the compulsory

strike as well as watchwords urging the people "do not vote." The messages have appeared in various "red zones" in the outskirts of Lima, especially along a strategic road that links the capital to the country's central region.

The police have reported that a terrorist commando unit on 24 January killed a sports leader from a poor village in the San Juan de Lurigancho District. Julio Aguirre was killed while playing an arcade soccer game. While this was happening, the authorities were defusing a car bomb loaded with 200 kg of ammonium nitrate fuel oil. The car was parked in front of an oil factory in San Martin de Porres District. The police action prevented the destruction of much flammable material.

According to another police report, the mayors of the towns of Guadalupe and Guadalupito Alto, in Viru Province, are still missing in spite of an intense search that included helicopters. The two were kidnapped by terrorists in the northern Peru region on 22 July.

On that day also, the alderman of Guadalupito Alto and the local coordinator of Change 90, Antonio Mendoza, were killed in that town.

So far the terrorists have murdered 12 candidates. This wave of attacks and threats have moved the head of an OAS observers mission, Mario Gonzalez, a Colombian, to ask the military authorities to intensify their coordination efforts to guarantee the security of the candidates.

In stating concern over the violence, Gonzales said that this situation "disturbs the election process." In this election process, the terrorist violence has become more evident in the "red zones" of the northern region close to Lima—Paramonga, Barranca, Huacho, Huaura, and Supe—where four municipal candidates, and a total of 12 prominent people, have been executed.

In the 12 districts of Huaura Province alone, there are 77 candidates. This makes it impossible for the authorities to provide police protection for all of them, the authorities said.

This situation has moved the authorities to turn military bases and police posts in that region into some sort of lodge for many candidates who on many occasions move there with their wives and children, the authorities have reported.

Hanmerly Carrasco, the president of the Lima Provincial Electoral Board, reported that his office received notarized resignation letters from candidates because of the threats, but he abstained from giving details on how many letters or from which municipalities they had come.

The police have stated that some 12 Shining Path terrorists who have carried out many attacks have been arrested in the jolted region. The authorities have also arrested 15 elements of "a Shining Path annihilation cell" in Mantaro Valley, Junin, 250 km east of Lima. Another five terrorists were arrested in a residence near the Chorrillos Military Academy, in Lima, according to reports.

Interview With Fujimori Regarding Candidates

PA2601000693 Lima Panamericana Television Network in Spanish 0000 GMT 25 Jan 93

[Interview with President Alberto Fujimori by "Panorama" Program Director Patricio Ricketts Rey de Castro at the Presidential Palace in Lima—live]

[Excerpts] [Ricketts] Mr. President, your change of mind in the face of the elections has caused quite a surprise. What happened to Pablo Gutierrez, who used to be your candidate and who was ousted or at least resigned?

[Fujimori] Good evening. I have been criticized for making this unexpected change. I think they should thank me, because we left the top place open. The person who was third on the ticket is now second, and the person who was fourth is now third. Besides, the votes are spread out. Pablo Gutierrez was right in that respect. This man, who worked intensely, like many district mayors, and who was known in Chorrilos for his projects, was not able to get his message out. He came into the campaign late. That is the truth, so....

[Ricketts, interrupting] This has created the impression of personal frustation. Was the resignation discussed or agreed on?

[Fujimori] We agreed on it here at the Government Palace.

[Ricketts] The thing that caught one's attention about Gutierrez was the focus he gave his campaign. His entire electoral platform centered on this: I am the favorite; the president will cooperate with me. You said later, however, you were going to cooperate with anyone who was elected.

[Fujimori] Proof of that is that I attended the ceremony to open a project with Mayor [name indistinct] in Callao.

[Ricketts] For that reason, and regardless of your personal preference, would you cooperate equally with Caceres or Belmont?

[Fujimori] Cooperation is the same because the budgets are funneled based on certain guidelines or measures. Since the elections are ahead, one obviously prefers a known quantity, someone who has proven his honesty through his actions, who can deal efficiently with the projects started in Lima, and who is independent, most of all.

[Ricketts] That is natural. One has all sorts of preferences during a election. The fundamental point is, however, that if the people make a decision, you, as the central authority, should abide by it. If the people tomorrow or this week voted for Caceres, for example, would you support him with the same enthusiasm,

regardless of what you may think of him or another candidate, because he is the people's choice? I am not just talking about the mayor of Lima but about any mayor. Many who will be elected all over the country will not be to your liking, and you may not be to their liking. The country, however, needs good cooperation between the central and local governments. Will you ensure that by assuming a truly open attitude with those elected, even if they are your political enemies?

[Fujimori] I do not have that many political enemies. Since the early years of my administration, there has been broad cooperation between mayors of differing viewpoints and the presidential palace, from the left to the PPC [Popular Christian Party]. The mayors of many provinces know this, in particular. Your question, of course, is a little compromising. I could not comment so openly before the elections. [laughs] It would be desirable....

[Ricketts, interrupting] You do not think it is politically wise?

[Fujimori] I do not think it is politically wise. Broad cooperation exists with those local governments that honestly work for the people. To be sure, if a mayor who is now a candidate supports certain concepts, for example, solutions to the problems of sanitation infrastructure, road networks, or school infrastruture, one obviously supports him with greater enthusiasm. That is what we have done with my neighbor, Mayor Belmont. We have done the same with other mayors from all political viewpoints and political parties, without exception.

[Ricketts] Regarding the two favorites in Lima, Caceres and Belmont are now saying they support you.

[Fujimori] Odd, is it not? [laughs]

[Ricketts] That is right. One would have to ask you on what do you base your preference for Belmont, considering the two are saying they support you? Why do you support Belmont?

[Fujimori] I repeat. I prefer someone who has already proven he can do projects.

[Ricketts] Proven material?

[Fujimori] Proven material.

[Ricketts] The other has done projects in Arequipa.

[Fujimori] But at another level, another level. In addition, I prefer someone who is truly independent of the traditional political parties. Belmont is.

[Ricketts] The people tend to forget certain problems, but I do not forget. The polls in Ayacucho reveal that the large majority of people do not want to vote or will cast a blank vote. This shows a truly worrisome trend of voter absenteeism or reluctance to vote. Are you concerned about this? What will the government do, considering this focus of discontent with democracy?

[Fujimori] I would not interpret it as a reluctance by the electorate to participate in the democratic process. I would, instead, interpret it as unhappiness with the candidates running. The important thing is that there are 17 candidates in Ayacucho and seven in Huanca. This has not happened before.

[Ricketts] What is serious and worrisome is that with 17 candidates the people are going to cast a blank vote. One would think they are much more intimidated or influenced by Shining Path than one would expect.

[Fujimori] I do not believe that at all. The proof is that there was no high rate of voter absenteeism or blank votes during the elections for the Democratic Constituent Congress [CCD].

[Ricketts] Let us get into other topics that are not necessarily related to the elections. Mr. President, one last thing about the subject we have been discussing, before we get into issues that interest me very much, like human rights: We have mentioned two candidates, but there are dozens. They are from Lima and elsewhere in the country. What is your point of view on this pluralism? What can you tell us about the candidates?

[Fujimori] This active participation by citizens in local and national elections is a tendency that has emerged in recent months.

Regarding the other candidates, I would say they are waging their campaigns based on programs. This is interesting. This is what creates options, those of Belmont, Caceres, El Puno, etc.

There are different concepts and proposals. For example, I have heard Mr. Caceres say that Fujimori is constantly paying the foreign debt while the country endures a period of austerity and sacrifice. There is a huge difference between the concepts that sustain this position and ours. We do not want to repeat the previous government's policies. We do not want to isolate ourselves by saying: We will not pay. If we did this, we would not be able to reintegrate into the international economy and so we would not have access to credits, not even for the local governments, for Lima, for example. One candidate has proposed securing credits from the World Bank. But so far it has not been possible to secure credits from the World Bank because Peru ceased fulfilling its commitments in 1984 and has no access to those credits. On 27 February Peru will return to normal. Then we can get access to credits. These different concepts are what produce different positions.

[Ricketts] The United States has a new president and you have, perhaps, a new problem. A few days ago I had the opportunity to listen to Bernard Aronson [assistant secretary of state for Inter-American Affairs], who is leaving. Everybody believes that President Clinton will be more strict in human rights matters. In the United

States, the Peruvian situation has a bad image. Aronson was very critical, caustic, about this. Many cases and details were mentioned.

I know you have said you will work to achieve 100 percent respect for human rights, but this is not the situation right now. What do you think about President Clinton and of the possibilities for cooperation? What do you expect of the Clinton era?

[Fujimori] I would say this is not a matter of problems. The current guidelines for administering all these aspects will continue to be applied. We will continue struggling for peace. This implies respect for human rights, securing popular support, and everything else we have already explained.

What the government has to do now is put more emphasis on image building. If we have a bad image abroad it is because of two factors. The first is that there have been, this is true, unresolved cases of human rights violations. The other factor is that some of the news reaching people abroad is distorted by the media. This is why in the past two weeks I have spoken about evaluating reports, something we have always done. [passage omitted]

[Ricketts] Mr. President, we are running out of time, but if you will allow me to run off a number of very brief questions, I would ask you also to respond very briefly.

[Fujimori] My pleasure.

[Ricketts] The first question is on the forest and border law. I am told that on 26 January there will be a strike and [words indistinct] in Iquitos. There is quite a bit of concern in Tacna, and the issue has been taken up at the CCD [Democratic Constituent Congress]. What is going to be done about it?

[Fujimori] First of all, before adopting any corrective measure, we must acquire a profound knowledge of the events behind the scenes as well as of the pros and cons of this forest and border law. For example, all of the farming organizations favor the forest and border law. Why? Because the prices of subsidized foodstuffs from bordering countries prevent them from competing. With this law, farmers in the border areas will be able to sell their products.

Second, it is necessary to explain that this additional 16 percent will be attributed to taxes. Therefore....

[Ricketts, interrupting] That point was not clear.

[Fujimori] Of course. It has been distorted....

[Ricketts, interrupting] No, it was not understood [words indistinct]

[Fujimori] Also, for examples look at the reaction of merchants and industrialists from the household appliance sector. They favor this forest and border law because....

[Ricketts, interrupting] [words indistinct]

[Fujimori] In general, throughout the country, because they want equal conditions in order to compete. There were mechanisms in place that (?fostered) contraband.

[Ricketts] Apart from contraband, Mr. President, the problem is the abysmal difference between products sold in Lima and those sold in a province in Pucalpa, for example, (?and they need a compensation law).

[Fujimori] If the products were sold in the same area there would be no problem; but what was happening? Products were being brought, for example, to the port in Paita for shipment to Iquitos. The documents would be processed in Iquitos but the products would remain in Paita and would be sold there as if they had been sent to Iquitos. This caused serious problems in the rest of the country. It is true that minor corrections must be made first, but we must also inform the people of the exact scope of the forest and border law.

[Ricketts] What about the Faucett company and the sale of Aeroperu? First you had the widely debated auction, and now it seems as if an attempt is being made to annul the transfer of shares even to Faucett. The state could end up owning Faucett also. What is going to be done about the Aeroperu problem? In congress, for example, Bedoya de Vivanco is presenting a bill to the CCD, and a decision must be made.

[Fujimori] That is in the hands of Aeroperu's CEPRI [expansion unknown]. I personally believe the case has been handled in a very honest, objective, and impartial manner. The interesting thing is that now there are foreign investors who are interested in Peruvian privatizations. I also believe in competition; it is a principle we should introduce in all sectors. Imagine one company monopolizing all the international routes. That would be disastrous.

[Ricketts] Mr. President, about amnesty. We just mentioned two men who may or may not have been tortured. The point is that there are a number of people who are about to be prosecuted and there is a strong trend toward amnesty. What is your final opinion after considering the situation?

[Fujimori] I reaffirm my position depending on whether we are dealing with an amnesty or a pardon. Amnesty falls within the competence of congress and a pardon is the competence of the Presidency. I reaffirm, after seeing all these dangerous maneuvers, even the lack of scruples shown and the drumming up of proof, that it is necessary to complete the investigation and reach conclusions, if, in fact, serious crimes were perpetrated....

[Ricketts, interrupting] In other words, after the sentencing we would see who [words indistinct].

[Fujimori] That is my position and I hope it is congress' also, but congress is autonomous. Regarding the trend of opinion, I ask myself if the public is concerned over this issue when these individuals were responsible for the....

[Ricketts, interrupting] [words indistinct]

[Fujimori] If you will allow me, for the destabilization of a government that was headed toward institutionality. Ask the people who live in Ayacucho, Huancavelica, or Apurimac. The resolution of the country's urgent problems does not depend on amnesty for these 13 bad officers who wanted to perpetrate these crimes, but rather in the problems themselves.

[Ricketts] In the specific case of amnesty, polls have been taken in Lima, not in Ayacucho or the interior, and most of them have yielded results in favor of an amnesty. This is relative but the question has been asked. My final question, if you will allow me, is what is happening with General Valdivia?

[Fujimori] Despite all the [laughs] contradictory comments and rumors, I can answer that. There is a lot of speculation in the news. Gen. Valdivia has my confidence as president and on 25 January he will travel as my representative to the Inter-American Development Board.

[Ricketts] The development or defense board?

[Fujimori] The Inter-American Defense Board. [words indistinct] in Washington.

[Ricketts] That may be the best paid post in Peru.

[Fujimori] Probably.

[Ricketts] Mr. President, I thank you very much for this interview. I believe we have covered a number of areas and it has been a pleasure to talk with you.

[Fujimori] Thank you for your kind words. Good Evening.

[Ricketts] Thank you.

Military Court Orders Release of Cisneros

PA2601161493 Lima Global de Television Network in Spanish 0000 GMT 26 Jan 93

[Text] The Court Martial of the Military Justice Supreme Council has ordered the unconditional release of Retired General Luis Cisneros Vizquerra, who was tried for alleged offenses against the Armed Forces and insulting higher officers.

[Begin recording] [Alfonso Carpio, Cisneros' attorney] He has been treated very well and received a great deal of consideration during the proceeding. His unconditional release has been ordered.

[Unidentified reporter] Was his release ordered on 25 January?

[Carpio] Yes, his release was ordered on 25 January. The proceeding will continue until this matter is clarified and Ret. Gen. Cisneros' juridical situation can be solved.

[Reporter] If his unconditional release has been ordered, why does he still have to appear in court?

[Carpio] That is the nature of the proceeding. The proceeding must conclude, and he must appear in court until the process ends. [end recording]

This announcement was made by Dr. Alfonso Carpio, defense attorney for Ret. Gen. Luis Cisneros Vizquerra. In his first summmons, Cisneros Vizquerra appeared before the Court Martial at 1030 on 25 January. He was summoned to answer charges for offenses against the Armed Forces Joint Chiefs of Staff and Army Commanding General Nicolas de Bari Hermoza.

Although the hearing was private, it was learned that for three hours Ret. Gen. Cisneros answered satisfactorily each of the questions posed by the Court Martial members. The Court Martial then decided to order Cisneros' release.

[Begin recording] [Cisneros] When I write my articles, I am responsible for everything I write.

[Unidentified reporter] Do you feel like a Peruvian?

[Cisneros] Of course, yes.

[Reporter] Many people feared that you would be held under arrest. Was that possible at any time?

[Cisneros] No. So far I enjoy unconditional freedom. I have no problems.

[Reporter] How did the court treat you?

[Cisneros] They treated me with a great deal of respect. [end recording]

Law Passed Simplifying Impeachment Process

PY2601163693 Lima EXPRESO in Spanish 12 Jan 93 pp A2-A3

[Excerpt] The Democratic Constituent Congress [CCD] yesterday passed a law shortening impeachment proceedings for the president of the Republic, ministers, Supreme Court justices, and high-ranking government officials—even if they are no longer in office—and mandating that the judge hearing the case institute legal proceedings against that person. The reason for this decision was to facilitate the restoration of public morality and to ward off the possibility that something similar to what happened to former President Alan Garcia—who after having been impeached by Congress was never tried by the judiciary—should ever happen again.

Pursuant to this law, impeachment would start with an enquiry made by the Standing Committee for Supervision, which has just been established by the CCD. The decision by this committee would have to be approved by a plenary session of Congress. [passage omitted]

Congress Resolution Validates Foreign Debt Accords

PA2201210893 Lima Radio Programas del Peru Network in Spanish 1700 GMT 22 Jan 93

[Report by Eduardo Lindo Collantes from Congress]

[Text] Victor Joy Way, chairman of the Democratic Constituent Congress [CCD] Foreign Relations Committee, has said the approval of the resolution on the foreign debt contracts the government signed with the World Bank and the Inter-American Development Bank [IDB] between 4 April and 30 December 1992 will facilitate disbursement of foreign credits to Peru.

According to Joy Way, the resolution approved a few minutes ago by the CCD confirms the validity of the foreign debt agreements signed by the government.

[Begin Joy Way recording] This definitive resolution will eliminate restrictions and allow us to receive credits that are currently being negotiated in Washington. This eliminates obstacles. I think it will facilitate the disbursement of the credits as well as the approval of the letter of intent and other documents that were pending this legislative resolution. I think the country and the CCD must congratulate ourselves for the unanimous expression of commitment to the objectives and needs of the country, beyond any party or personal interests. [end recording]

This is what Victor Joy Way, chairman of the CCD Foreign Relations Committee, said on the resolution ratifying the foreign debt agreements signed by the executive.

According to Popular Christian Party Congressman Luis Bedoya, the resolution approved by the CCD makes the validity of the agreements conditional upon compliance with the 1992 Indebtedness Law. Luis Bedoya stated, however, that the attorneys for the banks and financial entities, namely IDB or World Bank, will ultimately determine if these agreements are in line with the 1992 Indebtedness Law.

Peruvian Envoy Signs Chemical Weapons Agreement

PY2601163493 Lima EL PERUANO in Spanish 16 Jan 93 p A3

[Text] On 15 January Peruvian Ambassador to France Hugo Palma signed, on behalf of Peru, the agreement banning chemical weapons, a universal agreement which has thus far been signed by the majority of the 127 countries represented at a major conference being held at UNESCO headquarters in Paris.

After signing the agreement the ambassador delivered a speech in which he emphasized, among other things, that not only has Peru always supported the major disarmament initiatives—signing the main agreements on the subject—but it has also proposed major initiatives, such as the proposal to turn Latin America into a zone free from weapons of mass destruction, a proposal which was included in the Declaration of Cartagena.

Ambassador Palma also referred to the major expectations engendered by the agreement in connection with the problem of weapons, and as an incentive for making progress toward nuclear disarmament.

Former Army Commanders Release Note

PY2301002693 Lima EL COMERCIO in Spanish 9 Jan 93 p A4

[Text] We have received another open communication from former Peruvian Army commanders. It was attached to the following letter, which was addressed to the EL COMERCIO directors. It reads:

Lima, 6 January 1993,
Messrs. EL COMERCIO Directors Aurelio Miro Quesada Sosa and Alejandro Miro Quesada Gariand

Dear Sirs,
I have the pleasure of addressing you on behalf of former Army commanders to request that you publish the attached document. It seeks to clarify to the public the regrettable comments made by the president of the Republic during an interview granted to a Peruvian radio station and television channel on 2 January. In the interview he questioned our skills and our moral and professional authority as former Army commanders.

I take this opportunity to thank you for the editorial entitled "Victory of the Public Opinion," which you published on 26 December 1992.

Aware of the importance and reliability of your newspaper, we already are certain that you will comply with our request.

[Signed] Yours Sincerely,
Alfredo Rodriguez Martinez
Division General (retired)

Declaration
The undersigned Army commanders address the people to express the following:
1. On 15 December, we sent the Army commander in chief a confidential document. As this important document was not answered, we handed copies of it to the media. In this document we expressed our concern over:

a. The events that occurred on 13 November, which we, by no means supported, and their consequences.

b. The failure to comply until then with our request for the annulment of Decree 25861.

2. In the interview granted at the Government Palace on 2 January, which was covered by the radio and television, the president of the Republic commented on the published letter and made regrettable remarks regarding our skills and our moral and professional authority as Army former commanders. In his remarks, the president

of the Republic went beyond the objective of the aforementioned letter because in it we do not question the implementation of the current overall anti-subversive strategy.

3. We strongly reject the assertion that challenges our moral and professional qualifications and authority, which are upheld by more than 35 years of devoted service to the Nation. We reject the attempt to refer to us in that manner because our Army has proven its high proficiency in the campaigns of 1941 and 1981, in the elimination of guerrillas in 1965, and through its deterrent power which has ensured peace on our borders. All this is the result of the efficient work by the commanders who headed the Army, upholding the traditional principles and values of our Institution.

4. As for the military aspects of the counter-subversive strategy, the latter began years ago and has been permanently updated by the Armed Forces' Joint Command. Its orientation and implementation have always followed the political decisions made by the government.

5. As for the National Intelligence Service, we wish to point out that since its creation it has been directly subordinated to the president, and that at no time have we participated in the making of decisions in that area.

6. None of the undersigned commanders has questioned the performance of the current commander in chief as designer of the military counter-subversive strategy. On the contrary, the achievements of that strategy have been noted in personal contacts and through letters.

7. Finally, we would like to emphasize that our nationality takes its roots in the traditions of our people, who created the Army as a protective institution which belongs to the Nation and is at the service of the entire Nation. Consequently, this is how the Army should be envisaged by society and by those who govern it, in the building of the unifying factor of consistency that is so necessary at this time.

Lima, 8 January 1993

[Signed] Division General Alejandro Cuadra Rabines; Division General Alfredo Rodriguez M.; Division General Nicolas Lindley; Division General Ernesto Montagne; Division General Jose del C. Cabrejo; Division General Edgardo Mercado Jarrin; Division General Francisco Morales Bermudez; Division General Guillermo Arbulu G.; Division General Otto Elespuru Revoredo; Division General Carlos Arnaldo Briceno Zevallos; Division General Francisco Maury L.; Division General Jorge Zegarra; Division General Guillermo Monzon A.; Division General Pedro Richter Prada; Division General Francisco Miranda V.; Division General Julian Julia Freyre; Division General German Ruiz; Division General A. Palomino R.

Car Bomb Attempt Linked to Elections

PA2501165893 Hamburg DPA in Spanish 1546 GMT 25 Jan 93

[Text] Lima, 25 Jan (DPA)—On 25 January, the Peruvian bomb squad avoided a tragedy in Lima by defusing a car bomb containing 200 kg of dynamite. It was placed in the San Martin de Porres District, it was officially announced.

The action of the explosive experts was possible thanks to security guards at a nearby factory. They saw the terrorists and drove them away after a shoot-out that had no casualties.

The authorities said that the failed attack was part of the "Shining Path" offensive to affect the 29 January municipal elections.

Correction to CCD Electing Constitution Chairman

PA1901180593

The following correction pertains to the item headlined "CCD Elects Constitution Commission Chairman," published in the 21 January Latin America DAILY REPORT, page 39:

Paragraph five, sentence three make read: ...chaired by Miguel Velit Nunez; the Labor Commission, chaired by Ricardo Marcenaro Frers; and the Health Commission, chaired by Jaime Freundt-Thurne, who has told... (correcting names)

Venezuela

Three Constitutional Guarantees Restored in Sucre

PA2601004993 Caracas Venezolana de Television Network in Spanish 2350 GMT 25 Jan 93

[Text] The extraordinary Council of Ministers held at Miraflores Palace on 25 January agreed to reestablish the three constitutional guarantees that were suspended in Sucre State on 16 January.

At the end of the Council of Ministers, Angel Zambrano, Central Information Office [OCI] director, stressed that the decision was made because the situation in Sucre State is absolutely normal so there is no reason to maintain the suspension of the three constitutional guarantees dealing with freedom of movement, assembly, and demonstration. The OCI director said the ministers also discussed the situation in Barinas State.

[Begin Zambrano recording] The interior affairs minister reported on the current situation in Barinas and Sucre States. The comptroller general was also invited to issue an opinion on the way to give administrative continuity to the constitutional [words indistinct] for those two states. [end recording]

Another point addressed by the extraordinary Council of Ministers was the creation of the autonomous certification and quality service presented by the Development Ministry and the creation of the autonomous service for the environment program in Guyana. This service will be submitted again for the consideration of the Council of Ministers in its next meeting.

Police Free Church Official, Arrest Abductor

PA2601030293 Caracas Venezolana de Television Network in Spanish 2350 GMT 25 Jan 93

[Text] On the morning of 25 January, Monsignor Mario Moronta, secretary general of the Venezuelan Bishops Conference, was held hostage in his office for five hours. An individual who said his name is Sebastian Serpa Tempo entered Msgr. Moronta's office at 1000 [1400 GMT] when he was given an appointment. With an alleged explosive device and a toy gun, he sat next to the monsignor and demanded the presence of the media to make known his message. This was his condition for defusing the alleged explosive device and for surrendering to the police. Among other things, he stated before the television cameras that he was God's messenger.

The incident caused the mobilization of the police forces. There was great tension inside and outside the Archbishop's Palace. After the kidnapper released him, Msgr. Moronta talked to the media:

[Begin recording] [Moronta] I am a little tired but I am calm. I thank God nothing worse happened. Fortunately, with the help of the secretary of [Caracas Auxiliary Bishop] Monsignor Padron, other people, the security forces, and the reporters, nothing worse happened. I have to thank the reporters for their cooperation.

[Reporter] What was this individual's demand?

[Moronta] Listen, I do not know who he is. I know his name is Sebastian because I asked him his name. He had a religious message which you all heard. I do not know what his intentions were. I do not know anything else. [end recording]

At this time, Sebastian Serpa Tempo is being removed from the Archbishop's Palace after holding Mario Moronta hostage for several hours. He will be taken to the Judicial Technical Police [PTJ], where he will be investigated.

The Executive Branch expressed deep concern about the monsignor's kidnapping. Interior Affairs Minister Jesus Ramon Carmona said the coordination among the police forces led to the success of the operation. Speaking on behalf of the president, Minister Carmona said the prelate's kidnapping is an unfortunate incident of religious fanaticism which does not free the individual from responsibility.

[Begin Carmona recording] Fortunately, the problem was resolved satisfactorily. Msgr. Moronta, other church officials, and the personnel in the Archbishop's Palace were not hurt and the individual was arrested. According to the police, the individual is a psychopath, a religious fanatic who did not really have an explosive device. We were concerned about Msgr. Moronta's life because of that alleged device. We acted quickly and under the supervision of the PTJ, specifically under Inspector Jordan Petty. We coordinated a police operation which concluded with the arrest of this individual and the solution of the emergency situation. [end recording]

Guyana

Newspaper Demands Action on Constitutional Reform

FL2501181493 Bridgetown CANA in English 1558 GMT 25 Jan 93

[Text] Georgetown, Guyana, Jan 25, CANA—A privately-owned newspaper here is calling for sweeping constitutional reform, saying Guyana's transition to democracy will remain incomplete until this is done.

THE STABROEK NEWS, in its Sunday editorial, said three months had passed since the ruling People's Progressive Party/Civic (PPP/Civic) administration swept to power in October 5 general elections. No concrete proposals, it said, had emerged.

"This is not good enough. The present Constitution, an undemocratic Burnhamite creation foisted on the nation in 1980 after a farcical process of 'consultation' was designed to consolidate dictatorial rule and is symbolic of the old era," the editorial said.

"Our transition to democracy will not be completed until it is replaced," it said.

The paper said it was time for Attorney General Bernard de Santos to "translate" promises contained in the party's election manifesto into concrete procedures.

The PPP/Civic had promised urgent constitutional reform including the strengthening of the fundamental rights and the Elections Commission, reducing the executive powers of the president and reviewing the directive principles.

"Clearly, he (De Santos) should consult the PNC as to how to go about it as their vote will be required for the amendments that are ultimately agreed on after full debate. One method may be to set up a special constituent assembly to deal with the problem," the editorial said.

This, it said, would allow political parties and other groups to make their proposals either orally, or by lodging memoranda with appropiate time limits.

The editorial said: "If this procedure is considered too ornate or time consuming, some committee could be set up to be comprised of representatives from the four parties in Parliament to take evidence and report back to the House. Those giving evidence and advice could include constitutional experts."

It said the process should be as open and democratic as possible and should also represent a "genuine attempt on all sides" to reach an acceptable solution.

"Mr De Santos must do something soon...There can be nothing more pressing on his agenda and we look forward to him taking some early initiatives to get the show on the road," the newspaper said.